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**Annex to the
REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**Protection of the financial interests of the Communities – Fight against fraud – Annual
report 2007**

Implementation of Article 280 of the Treaty by the Member States in 2007

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INTRODUCTION

Protecting the European Communities' financial interests and combating fraud is an area in which responsibility is shared between the Community and the Member States.

Each year the Commission draws up a report in conjunction with the Member States on the measures taken to meet this obligation, under article 280 of the EC Treaty.

The Commission bases its report, which is addressed to the European Parliament and the Council and is published, on the measures taken by Member States' described in their replies to the "Article 280" questionnaire, covering the period from 1 January to 31 December 2007.

The present document lists all the Member States' answers to the 2007 questionnaire.

Over time the report had tended to become more and more voluminous. Both the Council and the European Parliament were concerned that its size was increasing and that its being annual, horizontal and multisectoral prevented a detailed assessment being made of all aspects of Member States' efforts to protect the Communities' financial interests. Since 2003, the Commission has therefore applied a new approach. After the traditional question asking Member States to report on new measures taken in 2007, the questionnaire focuses on a few major themes. The aim is to gather information on topics which go beyond the measures taken in a calendar year, so that these can be analysed in more detail. The topics change from year to year.

As always, the **first part of the questionnaire** asks Member States to list the legal **instruments that give effect to Article 280**, i.e. measures to combat fraud and all illegal activities affecting the financial interests of the Communities in the areas of own resources, agricultural expenditure and structural measures. The Member States have been asked to list only national measures and not those which simply transpose Community legislation, and to do so briefly to reduce the volume of the staff working document which incorporates the replies from the 27 Member States. At the end of the first question, Member States have the opportunity to give a more detailed description of a few measures they view as having the most important in the calendar year.

The **second question** concerns a specific topic on **limitation periods for proceedings** on irregularities and **subsequent decisions establishing administrative penalties or measures**. The Member States are responsible for dealing with irregularities and the outcome of such proceedings as regards traditional resources and indirect expenditure. Although Regulation No 2988/1995 makes provision for cross-cutting rules, it allows Member States to provide for a limitation period exceeding the one that it lays down. Taking action on irregularities affecting the EU budget within the set limitation periods is crucial for the Communities' financial interests.

The **third question** concerns another specific theme, namely **the management verifications** under the Article 4 of Regulation No 438/2001 in respect of the European Regional Development Fund (ERDF). The aim here is to get a better idea of the kind of irregularities detected during these verifications, why they have occurred, and the measures Member States take on their detection.

1. LEGAL INSTRUMENTS THAT GIVE EFFECT TO ARTICLE 280 OF THE EC TREATY — MAIN DEVELOPMENTS

1.1. Horizontal developments

Have there been any significant new legislative horizontal developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.

If so, please indicate below:

- **Type of instrument** (e.g. law, regulation, decree)
- **References of the legal instrument** (number/date of publication in Official Gazette, etc.)
- **References of the legal instrument or code that is amended** (if any)
- **Title of the legal instrument or a brief description** (no longer than one or two sentences).

BE

Royal order of 25 February 2007 published in the Belgian gazette on 28 February 2007 (amendment of the Royal order of 11 June 1993)

Order to adapt the list of organisations subjected to the law of 11 January 1993 to prevent the use of the financial system for purposes of money laundering and financing of terrorism (M.B., 9 February 1993).

Royal order of 3 June 2007 published in the Belgian gazette on 13 June 2007 (implementation of article 14 (5) of the law of 11 January 1993)

Order to prevent the use of the financial system for purposes of money laundering and financing of terrorism, considering that it is advisable to complete the preventive approach for detecting a serious and organised tax fraud case at the origin of suspicious money laundering transactions, by resorting to a list of indicators capable of helping out in analyses conducted by the organisations and persons mentioned in articles 2, 2 (2) and 2 (3) of the law of 11 January 1993 where they suspect the existence of a serious and organised of tax fraud at the origin of suspicious money laundering transactions, establishes such a list.

Among these indicators are the executions of financial transactions that are unusual in the normal activities of the company or suspicious in highly-competitive sectors or highly-sensitive sectors to circular-type VAT fraud, such as the IT equipment, automobile, telephony (GSM), oil products, textile, hi-fi, video and electronics sectors.

Law of 27 April 2007 published in the Belgian gazette on 8 May 2007 (amendment of the law of 26 March 2003)

Law that makes provision for data exchange between a Central Body for Seizure

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and Forfeiture, on the one hand, and especially the civil servants in charge of debt recovery on behalf of the Federal Government, communities and regions, on the other hand.

Law of 11 May 2007 published in the Belgian gazette on 8 June 2007

Law to adapt legislation on the fight against corruption that transposes into Belgian law some recommendations of the OECD. This law contains interpretation clauses of the Penal Code that deal with corruption of persons holding a public office and a provision amending the preliminary title of the Code of criminal procedure that allows for legal action to be taken for corruption-related offences (cf. article 10 (4) of preliminary title of the Code of criminal procedure introduced by article 7 of the law of 11 May 2007).

Customs agreements:

Law of 30 January 2007 published in the Belgian gazette on 11 April 2007

Law that granted consent to the “customs mutual administrative assistance bilateral agreement” reached between the Government of the Kingdom of Belgium and the Government of the Republic of Uzbekistan, and signed at Tashkent on 1 November 2002. The agreement took effect on 1 June 2007.

Law of 15 February 2007

Law that granted consent to the “customs mutual administrative assistance bilateral agreement” reached between the Government of the Kingdom of Belgium and the Government of the Republic of Madagascar, and signed at Brussels on 26 February 2003. The agreement is yet to take effect.

Law of 21 April 2007

Law that granted consent to the “customs mutual administrative assistance agreement” reached between the Kingdom of Belgium and the Government of Burkina Faso, and signed at Brussels on 24 November 2003. The agreement is yet to take effect.

Law of 21 April 2007

Law that granted consent to the “mutual administrative assistance agreement” between the Kingdom of Belgium and the Kingdom of Morocco with a view to preventing, identifying and punishing customs-related offences, and the appendices thereto, and signed at Brussels on 4 October 2002. The agreement is yet to take effect.

1.1. Horizontal developments

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Law of 21 April 2007 published in the Belgian gazette on 20 July 2007

Law that granted consent to the “customs mutual administrative assistance bilateral agreement” reached between the Government of the Kingdom of Belgium and the Cabinet of Ministers of Ukraine, and signed at Brussels on 1 July 2002. The agreement took effect on 1 August 2007.

Law of 21 April 2007

Law that granted consent to the “customs mutual administrative assistance bilateral agreement” reached between the Government of the Kingdom of Belgium and the Government of the Republic of Azerbaijan, and signed at Brussels on 18 May 2004. The agreement is yet to take effect.

Law of 21 April 2007 published in the Belgian gazette on 20 July 2007

Law that granted consent to the “customs mutual administrative assistance agreement” reached between the Government of the Kingdom of Belgium and the Government of the Republic of Turkey, and signed at Ankara on 2 November 2003. The agreement took effect on 1 August 2007.

Royal order 2007-4171 [C-2007/03451] published in the Belgian gazette on 18 October 2007/p.53949.

Royal Order of 17 August 2007

Order on the internal control system in some services of the federal executive organ. This Royal Order seeks to create the conditions needed to ensure a greater accountability for the managers of the federal administration through a more thorough knowledge of management skills, quality of public expenses and good governance principles.

BG

State Budget Law §44, published in Official Gazette № 113 of 28 December 2007, in force as from 1 January 2008

All unduly paid and overpaid amounts subject to recovery, as well as illicitly obtained or illicitly absorbed funds at the expense of pre-accession financial instruments, the EU Structural Funds and the Cohesion Fund, the European Agricultural Funds and the European Fisheries Fund, the Schengen Facility, the Transition Facility and the national co-funding, may be deducted in their full amount through transfers and subsidies.

Public Financial Inspection Law published in Official Gazette № 86 of 26

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	<p>October 2007 (amendment of Public Financial Inspection Law published in Official Gazette № 33 of 21 April 2006)</p> <p>The main purpose of the state financial inspection activity is to protect the public financial interests. The PFIL establishes the competences of the Public Financial Inspection Agency authorities (financial inspectors).</p> <p>– State Agency for National Security Law (SANSL) published in SG № 109 of 20 December 2007, in force as from 1 January 2008</p> <p>SANS perform functions of surveillance, detection, counteraction and prevention of encroachments upon national security, whether plotted, prepared or perpetrated related to conclusion of unfavourable contracts, money laundering and fraudulent absorption of EU Funds.</p>
CZ	<p>Act № 298/2007 Coll. (amendment of Act No 320/2001 Coll)</p> <p>Act on financial control in public administration.</p> <p>Act № 174/2007 Coll. (amendment of Act No. 218/2000)</p> <p>Act on budgetary rules.</p> <p>Government Resolution №. 1010/2007 of 5 September 2007</p> <p>Act changing the position of the AFCOS central contact point in the Czech Republic.</p> <p>Draft amendment to Act No 256/2000 Coll. on the State Agricultural Intervention Fund (SAIF), Section 11a(3)</p> <p>Act providing a period of one year in which subsidies should be returned.</p>
IE	<p>Taxes Consolidation Act, new section 908C and 908D, 1997</p> <p>The Revenue Commissioners is from now on competent to apply to a District Court judge for a search warrant when investigating a criminal tax offence and to apply to a District Court judge for an order requiring a third party to supply specified information to the Revenue Commissioners, where a person is under investigation with a view towards a criminal prosecution.</p>
EL	See point 1.5
ES	Order EHA/1434/2007 of 17 May 2007 published in the Official State Gazette

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	<p>on 25.5.2007</p> <p>Order approving the code of conduct for auditors of accounts when reviewing accounts used to support applications for grants in the state sector.</p>
FR	<p>Law № 1598/2007 of 13 November 2007 published in the Official Gazette on 14 November 2007</p> <p>Law implementing the Council of Europe Convention on the Corruption of 27 January 1999 and its protocol of 15 May 2003 and the UN Convention against Corruption of 31 October 2003.</p>
IT	<p>Section 3 of Presidential Decree No 91 of 14.5.2007 published in Official Gazette No 156 of 11.07.2007 (see point 1.5)</p> <p>Circular on “Methods of reporting fraud and irregularities affecting the Community budget to the European Commission” published in Official Gazette No 240 of 15.10.2007.</p> <p>The circular is the national instrument implementing the agreement between the Government, the Regions, the Autonomous Provinces, the Provinces, municipalities and mountain communities.</p>
CY	<p>Law № 51(III)/2007 published on 31.12.2007</p> <p>Law ratifying the Council of Europe convention on laundering, search, seizure and confiscation of the proceeds from crime and on the financing of terrorism.</p> <p>Law № 188(I)/2007 published on 31.12.2007</p> <p>Law on the prevention and suppression of money laundering activities.</p>
LV	<p>Public Procurement Act, promulgated on 8 February 2007 published in the Official Gazette No. 29 of 19 February 2007 (amendment).</p> <p>The amendments removed the restriction on applying the procurement procedure – applicable to services listed in Section B, Annex 2 of Council and European Parliament Directive 2004/18/EC of 31 March 2004 – to services in category 24</p>

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whose contract price exceeds LVL 50 000.

State Revenue Service Strategy for the Prevention and Detection of Crime relating to Government Revenue 2007-2009 of 8 November 2007¹ in accordance with the State Revenue Service Director-General's Instruction No 2049.

The strategy specifies the following objectives as priorities:

- combatting tax fraud;
- combatting money laundering;
- the fight against organised crime.

Section 323(3) of the Criminal Offences Act

Section that has been supplemented with a new third paragraph and stiffer penalties have been foreseen for bribery performed by organised groups.

Section 166(6) of the Latvian Administrative Infringements Code published in the Official Gazette No. 4 of 9 January 2008 (amendment)

Regulation that provides for differentiated sanctions for the infringement of regulations in respect of submission by legal persons of accounting information, statistics and reports.

Cabinet Regulations No. 268 of 17 April 2007 published in the Official Gazette No 69 of 27 April 2007 (replacement of Cabinet Regulation No 406 of 16 May 2006)

Regulation that provides for procedures for the administration and monitoring of State and European Union aid for agriculture and rural development, as well as procedures for the publication of information on aid beneficiaries and the amount of aid received.

Cabinet Regulation No. 314 of 8 May 2007 published in the Official Gazette No 89 of 5 June 2007

Regulation that provides for procedures for the provision of State and European Union aid for rural development by open tender. These regulations lay down how

¹ Published on Internet : www.vid.gov.lv.

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aid is to be granted for implementing EAFRD measures.

HU

Act CXXVI of 2007 Art. 345, 346 and 465, 1997 in force as from 1 January 2008 (amendment of Art. 125, 126 and 138 of Act CXXIX of 2004)

Articles that fine-tuned and supplemented the tasks and powers of the OLAF Coordinating Bureau and its rules for treating personal information.

Act XXVII of 2007 Art. 5(2) (amendment of Penal Code Art. 138/A)

Article that raises the threshold in case of petty offences to 20 000 HUF.

Act LXI of 2006 (inserted Art. 88/A into Chapter VII of Act XCII of 2003 on the Rules of Taxation)

The new paragraph introduced central control as of 1 January 2007 the aim of which is to investigate unlawful actions of taxpayers carrying the potential to substantially jeopardize the interests of the central budget and to restore operations within the framework of the law.

Act XVII of 2007

Act on certain aspects of the procedure connected to agricultural, rural developmental and fishery aid and other measures.

Government Decree 82/2007 (IV. 25.)

Decree on the development of financial, accounting and control systems and rules of procedure for programmes and measures financed by the European Agricultural Fund for Rural Development, the European Fisheries Fund and the European Agricultural Guarantee Fund.

Government Decree 322/2007 (XII. 5.)

Decree on supervisory bodies controlling the implementation of mutual assimilation rules.

Government Decree 274/2006 (XII. 23.)

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	<p>Decree on the creation and functioning of an Agricultural Administration Office.</p> <p>Decree 23/2007 (IV.17.)</p> <p>FVM of the Minister of Agriculture and Regional Development on the general rules for the utilisation of aid co-financed by the European Agricultural Fund for Rural Development.</p>
MT	<ul style="list-style-type: none">– Article 5 of the Cash Controls Regulations (LN149/07) published in the Government Gazette No. 18,084 of 5 June 2007– Article that provides that the Comptroller of Customs shall be empowered to exchange and transmit information in accordance to Regulation (EC) 1889/2005 of the European Parliament and of the Council of 26 October 2005 on controls of cash entering and leaving the Community.– General Financial Regulations (Amendment) Regulations (LN185/07) published in the Government Gazette No. 18,100 of 13 July 2007– Regulation that provides that in verifications conducted by the Government's Accountant General in relation to disbursements of public moneys, on the spot verifications may be conducted by duly authorised public officers on payment requests.
NL	
PL	<p>Public Procurement Act of 29 January 2004 published in the Official Gazette No 223(1655) of 2007.</p> <p>Act that has provided for the operational programme Managing Authorities to apply with to the President of the Public Procurement Office to carry out checks on public contracts where there is alleged violation of the Act.</p> <p>Public Finance Act of 8 December 2006 published in the Official Gazette No 49(1832) (amendment)</p> <p>The amendment to the Act provides for audits to be carried out commissioned at public finance sector units.</p> <p>Public Procurement Act of 29 January 2004 published in the Official Gazette No 223(1655) of 2007.</p> <p>The Act has provided for the operational programme Managing Authorities to apply to the President of the Public Procurement Office to carry out checks on public contracts. Checks are carried out at the registered seat of the Public</p>

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	Procurement Office on the basis of public procurement documents
PT	<p>Law 67-A/2007 2008 State Budget of 31.12.2007 published in the DR No 251, 1st series, of 31/12/2007 (amendment of the General Tax Offences Scheme approved by Law 15/2001 of 5/6/2001, specifically Articles 92, 93 and 95)</p> <p>Law relating to smuggling, smuggling in connection with the movement of goods and fraud in the shipment of goods under a suspensive arrangement respectively.</p> <p>Decree Law 79/2007 of 29/03/2007 published in the DR No 63, 1st series, of 29/3/2007</p> <p>Law in the framework of the State Central Administration Restructuring Programme (PRACE) – approves the new Organic Law of the IGF, defining its mission and tasks, particularly in respect of Article 2(2)(d) “To conduct audits and perform the duties of national interlocutor of the European Commission for matters of financial control and protecting the financial interests of the Community Budget”.</p>
RO	<p>Government Emergency Ordinance No 25/2007 published in the Official Gazette, Part I, No 270 of 23.04.2007</p> <p>Ordinance laying down certain measures for reorganising the Government working apparatus. The new aspects aim to extend the investigation powers of the Anti-Fraud Department – DLAF (AFCOS Romania) to cover post-accession European funds.</p> <p>Prime Minister’s Decision No 205/2007 published in the Official Gazette, Part I, No 511/31.07.2007</p> <p>Decision on the organization and operation of the Anti-Fraud Department.</p> <p>Government Ordinance No 12/2007 published in the Official Gazette, Part I, No 84 of 2.02.2007 (amendment and supplement of Government Ordinance No 79/2003)</p> <p>Ordinance on the control and recovery of Community funds as well as related co-financing funds used improperly. Community debts are assimilated to national fiscal debts (see also point 1.5).</p> <p>Government Decision No 1306/2007 published in the Official Gazette, Part I, No 753 of 6.11.2007</p> <p>Decision approving the Methodological Rules for the application of Government Decision No 79/2003. It details the detection and recovery activities, regulates the</p>

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approval of the findings report specimen, defines the notion of illegible expenditure, sets the deadline for the payment of budgetary obligations resulting from irregularities, etc.

Government Decision No 525/2007 published in the Official Gazette, Part I, No 395 of 12.06.2007

Decision on the organisation and operation of the National Authority for Regulating and Monitoring Public Procurement. The main role of the National Authority for Regulating and Monitoring Public Procurement (Romanian acronym ANRMAP) is to formulate at conceptual level, promote and implement Romanian public procurement policy.

Government Emergency Ordinance No 94/2007 published in the Official Gazette, Part I, No 676 of 4.10.2007 (amendment and supplement of Government Emergency Ordinance No 34/2006)

Ordinance on the award of public procurement contracts, public works concession contracts and services concession contracts. The adoption of Government Emergency Ordinance No 94/2007 was intended to make public procurement system more flexible, at the same time ensuring its operation in accordance with European rules.

Law No 228/2007 published in the Official Gazette, Part I, No 471 of 12.07.2007

Law approving Government Emergency Ordinance No 30/2006 (Romanian Official Gazette, Part I, No 365/26.04.2006) on the function of verifying the procedural aspects related to the process of awarding public procurement contracts.

SI

Act on International Cooperation in Criminal Matters between the Member States of the European Union Ur. I. RS published in the Official Gazette No 102/2007

Article 56 of the Act provides for the establishment of a special international investigation team and includes explicit provision for the participation of representatives of OLAF. The team is led by Slovenia's public prosecutor. Public prosecutor's offices and police organisational units are required to lend every assistance to the international investigation team.

Prevention of Money Laundering and Terrorist Financing Act Ur. I. RS No 60/2007

<p>1.1. Horizontal developments</p> <p>Have there been any significant new legislative horizontal developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.</p>	
	<p>The Act allows the Slovenian national budget supervision office (AFCOS) also to take action in relation to money laundering.</p>
<p>SK</p>	<p>National strategy for protecting the financial interests of the European Community in the Slovak Republic. Government Resolution No. 547/2007</p> <p>(See point 1.5)</p> <p>AFCOS network partner cooperation manual. Government Resolution No. 547/2007</p> <p>Manual for the notification of irregularities. Government Resolution No. 547/2007</p> <p>Government Resolution 323/2007</p> <p>Resolution on the fight against corruption. A working group was set up to update the National Programme for fighting corruption and the tasks of fighting corruption were entrusted to the Department for Protecting the Financial Interests of the EU and the Fight against Corruption at the Slovak Government Office's Control and Anti-Corruption Section.</p> <p>Act No. 199/2007 in force as from 1 May 2007 (amendment of Act No. 39/1993)</p> <p>Act on the Supreme Audit Office of the Slovak Republic obtaining independent approval of the budget of the Supreme Audit Office from the Finance Ministry, with the Supreme Audit Office budget forming a separate item in the state budget of the Slovak Republic.</p> <p>Act No. 659/2007</p> <p>Act on the introduction of the Euro in the Slovak Republic.</p>
<p>FI</p>	<p>Code of Enforcement Procedure № 705/2007 (replacement of the Enforcement Act of 1895)</p> <p>General act for enforcement which contains provisions on the organisation of enforcement and enforcement procedure. It also includes provisions on the maximum period for debt liability. A claim is barred by the statute of limitations once the limitation period for the grounds of enforcement (15 or 20 years) has expired. A court may, however, extend the period for the ground of enforcement</p>

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	<p>by ten years.</p> <p>Act on the Implementation of Taxes and Duties № 706/2007 (replacement of the Recovery of Taxes and Duties by Enforcement Proceedings № 367/1961)</p> <p>Act which lays down provisions on the recovery of taxes and duties without a judgment (what is known as "direct distrainability").</p>
SE	See point 1.5

1.2. Own resources (including VAT)

Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.

If so, please indicate below:

Type of instrument (e.g. law, regulation, decree)

References of the legal instrument (number/date of publication in Official Gazette, etc.)

References of the legal instrument or code that is amended (if any)

Title of the legal instrument or a brief description (no longer than one or two sentences).

BE

Programme law of 27 December 2006 published in the Official Gazette of 28 December 2006, 3rd edition in force as from 7 January 2007.

Articles 2, 4, 5, 6 and 7 of this programme law incorporates into the VAT Code articles 52bis, 88bis, 88ter, 89bis in 93undecies D. These are measures relating to tax fraud control and to a more thorough tax collection. These provisions basically offer the possibility of conducting an administrative seizure of property on a provisional basis as a means of guaranteeing the payment of VAT, demanding a real guarantee or surety, of ordering, in some cases, the closing down of business entities or conducting a provisional seizure for the taxes claimed. Under certain terms and conditions, article 93undecies D establishes personal liability for the payment of taxes by right for public officers or ministerial officials in charge of the public sale of movable property.

Programme law of 27 April 3rd edition and law of 25 April 2007 published in the Official Gazette of 8 May 2007

Laws laying down miscellaneous provisions

Article 101, 104 and 105 of the programme law of 27 April 2007 and article 104 of the law of 25 April 2007

Articles laying down miscellaneous provisions introduced the measures needed to prevent the implementation of the VAT unit from giving room for tax fraud or evasion and to prevent membership of a VAT unit from giving rise to unjustified tax advantages or benefits with respect to VAT, by inserting new articles 19bis, 50 (1) 4°, 50 (2), 51ter and 53 (3) in the VAT code.

Article 56 (3) of the VAT code was amended by article 127 of the programme law of 27 April 2007 that took effect on 1 October 2007

Article to exclude from the franchise granted to small-sized companies with a turnover not exceeding 5580 euros, real estate transactions and all related operations. This exclusion responds to the intention to curb the risk of black

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Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.

	<p>labour and illegal workers in the sector.</p> <p>Articles 70 to 76 of the programme law of 27 April 2007 inserts articles 84quinquies, 84sexies, 84septies, 84octies, 84nonies, 84decies and 84undecies in the VAT code</p> <p>Article to introduce a measure known as indefinite suspension of tax recovery. This measure enables any taxpayer, a private individual, who has lost the taxpayer status or the latter's spouse (it must be a VAT owed for a previously-operated activity and that has ceased definitively), to introduce a justified request and to obtain, if possible following an inquiry conducted with lending institutions and under certain conditions, an exceptional preferential measure granting them a definitive VAT recovery suspension issued in return for the immediate or phased payment of a given amount to be charged to the taxes owed.</p>
BG	<p>Internal rules of procedure for managing Community funds – PHARE pre-accession instruments – last amended – November 2007. The rules of procedure are <u>not</u> a statutory instrument.</p> <p>Establishment of a Contact Group for interoperability management on 5 April 2007 (supplement to the Instruction for interaction among the Prosecutor's Office of the Republic of Bulgaria, the Financial Intelligence Agency subordinated to the Finance Minister, and the Ministry of the Interior of 3 July 2006).</p>
CZ	<p>(See point 1.1)</p> <p>Act No. 235/2004 Coll. of VAT (amendment).</p>
IE	<p>Ireland maintains its reservation about the inclusion of VAT in this questionnaire in line with that agreed at the COCOLAF meeting in October 2005.</p>
ES	<p>Articles 25.1 and 144 to 147 Royal Decree 1065/2007 of 27 July published in the Official State Gazette of 5 September 2007</p> <p>Articles approving the general regulations governing tax management and inspection measures and procedures and implementing the common rules for tax application procedures. In relation to Article 280, see.</p>
IT	<p>Decree Act of 3.10.2006 published in Official Gazette No 230 of 3.10.2006, converted into law by Act No 286 of 24.11.2006. On 25.10.2007 two measures from the Revenue Agency were published in Official Journal (General Series) No 266 of 15.11.2007, implementing these rules.</p> <p>Act that lays down rules on the registration of new and used cars, motor vehicles</p>

1.2. Own resources (including VAT)

Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.

	<p>and their trailers purchased as intra-Community transactions.</p> <p>Order of the Ministry of Economic and Financial Affairs of 25.05.2007 on the “Identification of a further operation for the application of the reverse charge system”, within the meaning of section of 17(6) of Presidential Decree No 633 of 26.10.1972, published in Official Gazette No 152 of 3.07.2007. It extended the reverse charge system to cover sales of buildings of parts thereof as defined in indent 8-ter(d) of section 10 of Presidential Decree No 633 of 26.10.1972.</p>
HU	<p>Art. 29 of Act XXVII of 2007 in force as from 1.6.2007 published in the Official Gazette 2007/50. (IV. 20.) (amendment of Act IV of 1978 on the Penal Code and other penal laws)</p> <p>Act establishing that smuggling constitutes an individual crime (Art. 312), and according to Art. 32 illegal importation and trafficking of goods as activity belongs now to Art. 236 of the Penal Code about receiving stolen goods. Acts of smuggling as a new individual crime were spelled out, and in case of certain aggravating circumstances, penalties were made tougher. Protection of financial interests is a primary aspect of the new measure that qualifies the payment of customs duties before presenting criminal charges are brought as active remorse that nullifies criminality.</p>
MT	<p>Part VIII of Act IV of 2007 (Budget Measures Implementing Act (Cap. 475)) published in Government Gazette Number 18052 of 16 March 2007</p> <p>Act that improves information exchange between persons and the VAT department on VAT issues, and introduces an obligation on commercial banks to submit specific information to the VAT department.</p> <ul style="list-style-type: none">– Act XIX of 2007 published in Government Gazette No 18110 of 3 August 2007 (amendments of the VAT Act (Cap. 406))– Act concerning transport of goods in the course of an economic activity.
NL	<p>A proposal for a new General Customs Act was brought before Parliament in 2007 and adopted by the Lower House in early 2008. It is due to enter into force on 1 July 2008 after adoption by the Upper House.</p> <p>The Act sets out in clear terms the powers of the customs authorities in the performance of taxation-related and non-taxation-related duties. It also lays down rules for the exchange of information with other enforcement agencies in the Netherlands.</p>
PT	<p>Decree Law 82/2007 of 29.3.2007 published in the Official Gazette No 63 1st</p>

1.2. Own resources (including VAT)

Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.

	<p>series of 29/3/2007</p> <p>Act that, - in the framework of the PRACE - approves the new Organic Law of the DGAIEC, defining its mission and tasks, and the type of internal organisation; this Directorate-General protects the Community's financial interests, in terms of its own funds or the funding of the Common Agricultural Policy, as this agency's Antifraud Services Directorate is in charge of implementing the controls provided for in Reg. (EC) No 4045/89.</p> <p>Order in Council 349/2007 of 30.3.2007 published in the Official Gazette No 64 1st series of 30/3/2007</p> <p>Order that establishes the core structure of the services and the tasks of the respective units of DGAIEC.</p> <p>Order 7624/7 of 2.4.2007 published in the Official Gazette No 80 2nd series of 24/4/2007</p> <p>Order that defines the flexible organic units of the Services and Customs Directorates and their respective tasks.</p>
<p>RO</p>	<p>Government Emergency Ordinance No 106/2006 published in the Romanian Official Gazette, Part I, No 703/18.10.2007 (amendment and supplement of Law No 571/2003)</p> <p>It aims at maintaining the level of budget revenues resulting from the value added tax by extending the application period for the system of the value added tax payment to the customs authority to cover the import of goods from third countries. The simplified VAT payment measures will be applied only starting with 2012. Procedures in order to clarify certain provisions in the field of taxation system were also taken into account.</p> <p>Government Ordinance No 47/2007 on regulating certain financial-fiscal measures published in the Official Gazette Part I, No 603 of 31.08.2007</p> <p>Within the Fiscal Administration National Agency, the Commission for Fiscal Procedures has been established, which is responsible for preparing Decisions on the uniform application of the Fiscal Procedure Code and of the legislation falling within the scope of the Fiscal Administration National Agency.</p> <p>Government Decision No 532/2007 on the organisation and operation of the National Customs Authority, published in the Official Gazette, Part I, No 405/18.06.2007</p>

1.2. Own resources (including VAT)	
Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.	
	The National Customs Authority receives new tasks in the field of the fiscal surveillance, authorisation, certification, and approval of natural and legal persons carrying out activities of production, bottling, packaging, acceptance, possession, storage and/or delivery, sale, final use of excise products.
SI	Act on International Cooperation in Criminal Matters between the Member States of the European Union published in the Official Gazette Part I No 102/2007 Act supplementing the legal framework for direct cooperation with OLAF.
SK	Customs Act No. 537/2007 of 25 October 2007 (amendment of Customs Act No. 199/2004 and other acts) The draft document had to take into account the fact that customs duty is traditional own resource for the Community, which can only be handled in accordance with the regimes established by the relevant legal acts of the EC/EU. For this reason, sums owing under a Community claim on separate sources as advances by the debtor to a third party in bankruptcy or liquidation are excluded.
SE	Value Added Tax Act (Mervärdesskattelagen) published in the Official Gazette No 1031/2006 and 1293/2006 (amendment of Value Added Tax Act No 200/1994) The amendments imply a complete change concerning tax obligation within the building sector. The intention of the rules (which imply that the buyer, instead of the seller, pays value added tax to the State for building services provided) is to prevent value added tax fraud.
UK	The UK has a reservation about the inclusion of VAT in this questionnaire.

1.3. Agricultural expenditure (expenditure financed by EAGF / EAGGF - Guarantee Section)	
– Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.	
If so, please give a brief description below. Please indicate:	

<p>1.3. Agricultural expenditure (expenditure financed by EAGF / EAGGF - Guarantee Section)</p> <p>– Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.</p>	
<p>– Type of instrument (e.g. law, regulation, decree)</p> <p>– References of the legal instrument (number/date of publication in Official Gazette, etc.)</p> <p>– References of the legal instrument or code that is amended (if any)</p> <p>– Title of the legal instrument or a brief description (no longer than one or two sentences)</p> <p>Whether the measures are general or apply to a specific sector of the EAGF / EAGGF - Guarantee Section, and, if so, which one.</p>	
BG	<p>2007-2013 Rural Development Programme, elaborated in 2007 and approved by the EC on 19 December 2007</p> <p>The Program regulates the conditions for allocating financial support to Bulgaria by the European Agricultural Fund for Rural Development for the development of agriculture and rural areas. The regulations for the Programme's implementation are soon to be promulgated in the State Gazette. They will describe in details eligible costs and eligible beneficiaries, with a view to preventing any irregularities upon allocating financial support.</p>
CZ	<p>(See point 1.1)</p> <p>Administrative acts comprise methodological guidelines and SAIF and MoA's AFCOS contact point instructions.</p> <p>Rural Development Programme of the Czech Republic for 2007-2013 (EAFRD) of May 23, 2007. Fisheries Operational Programme (EFF) for the Czech Republic of December 11, 2007.</p>
IT	<p>Section 1(1048) of Act No 299 of 27 December 2006 (2007 budget), published in Official Journal No 299 of 27 December 2006</p> <p>The Section establishes that controls required of the Ministry of Agriculture and Forestry under Regulation (EEC) No 4045/1989, and the tasks required under Article 11 of the Regulation, shall be performed by the Agricultural Payments Agency (AGEA) from 1 July 2007.</p> <p>AGEA Circular ACIU.2007.1082 of 24 December 2007</p> <p>The circular adopted the coordination manual for dealing with irregularities and recovery by paying agencies, which laid down standard rules for EAGF and</p>

	<p>1.3. Agricultural expenditure (expenditure financed by EAGF / EAGGF - Guarantee Section)</p> <p>– Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.</p>
	<p>EAFRD procedures, in line with the joint ministerial circular on Methods of reporting fraud and irregularities affecting the Community budget to the European Commission issued on 12 October 2007 by the Prime Minister's Office.</p>
<p>LV</p>	<p>Amendments to the Agriculture and Rural Development Act of 18 October 2007 and published in the Official Gazette No 179 on 7 November 2007 (amendment of the Agriculture and Rural Development Act of 23 April 2004)</p> <p>As a result of these amendments the Agriculture and Rural Development Law has been supplemented with Procedures Governing Control of the Integrated Growing System for Agricultural and Organic Produce, as well as conditions for the administration of State and European Union aid, and certain legal norms contained in the previous version of the Act have been applied to the fisheries industry. These measures are of a general nature and apply to agriculture, rural development and the fisheries industry.</p> <p>Several Cabinet Regulations² laid down rules for the administration of state aid and EU funds in the field of agriculture. They may include legal norms on checks and sanctions.</p>
<p>HU</p>	<p>Art. 6 of Act XVII of 2007 published in the Official Gazette No 2007/38 (III. 30.)</p> <p>The Act relates to certain aspects of the procedure regarding agricultural, rural development and fisheries aid and other measures and provides for general measures as follows: ‘In order to make measures <i>de facto</i> implement objectives set in legal acts or programmes, implementation bodies shall create or provide for possibilities to act efficiently against intentional irregularities’.</p> <p>Government Decree 82/2007 (IV. 25.) on developing financial, accounting and control systems and rules of procedure for programmes and measures financed by the European Agricultural Fund for Rural Development, the European Fisheries Fund and the European Agricultural Guarantee Fund.</p> <p>Government Decree 314/2006 (XII.23.) as amended by Government Decree 359/2007 (XII.23.)</p> <p>The decree restructured the body responsible for <i>ex-post</i> controls of aids financed</p>

² Cabinet Regulations No. 51 of 9 January 2007, No 255, 267, 269 of 17 April 2007, No 617 of 11 September 2007, No 653 of 2 October 2007.

	<p>1.3. Agricultural expenditure (expenditure financed by EAGF / EAGGF - Guarantee Section)</p> <p>– Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.</p>
	<p>from the EAGGF Guarantee Section according to Regulation 4045/89/EEC. These controls shall be made by newly created bodies, namely the Regional Control Centres.</p> <p>Act CXXVI of 2007 on the amendment of certain taxation laws amended Act CXXVI of 2003 on the Implementation of Community Customs Law</p> <p>The Act declares that <i>ex-post</i> control shall be carried out at the client's premises if the Head of the Special Service so requires. Initiating controls becomes faster in case of alleged irregularities.</p> <p>Regulation 48/2007 PM of the Ministry of Finance (amendment of Regulation 24/2004 (IV.23.) and Regulation 23/2004 (IV.22.) PM)</p> <p>The Regulation sets competences for the new Regional Control Centres. With the above Regulation and sets the professional governance of the Special Service regarding Member State controls of transactions under the EAGGF financial system.</p>
<p>PL</p>	<p>Agricultural Land and Sugar Payments Act of 26 January 2007 published in the Official Gazette No 35(217) of 2007</p> <p>The Act introduces national financial penalties for irregularities in subsidising the cultivation of energetic plants.</p>
<p>PT</p>	<p>Applicable to the EAGF and the EAFRD:</p> <p>Implementing Decree No 79/2007 of 30.7.2007 in the framework of the PRACE published in the Official Gazette No 145, 1st series, of 30.7.2007</p> <p>The decree approves the new Organic Law of the IGAP, defining its mission and tasks, and conferring on it the powers to carry out the <i>ex post</i> controls on the investment operations funded by the EAFRD in order to implement the <i>a posteriori</i> scrutiny provided for in Regulation (EC) 4045/89 and to carry out the specific services within the meaning of this Regulation.</p> <p>Decree-Law No 323/2007 of 28.9.2007 published in the Official Gazette No 188, 1st series, of 28.9.2007</p> <p>The Decree-Law establishes the rules and procedures to be adopted for accrediting the paying agency for the expenditure funded by the EAGF and the EAFRD, and for certifying the respective accounts, conferring on the Minister in charge of finances, on a proposal from the IGF, the powers to accredit the paying agency of the EAGF and the EAFRD and conferring on the IGF the power to</p>

	<p>1.3. Agricultural expenditure (expenditure financed by EAGF / EAGGF - Guarantee Section)</p> <p>– Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.</p>
	<p>serve as the certifying body for the purposes of Article 7 of Regulation No 1290/2005. Revokes Decree-Law 331-A/95 of 22/12/1995.</p> <p>Council of Ministers Resolution 101/2007 published in the Official Gazette No 147, 1st series, of 1.8.2007</p> <p>Resolution adapting the operations of the CIFG to the funding system of the CAP (Common Agricultural Policy), including in its scope of operations the reporting of irregularities and suspected fraud to the EAFRD, to be added to the operations of the EAGF already dealt with by this Inter-ministerial Commission. Revokes RCM 10/91 of 14 March 1991</p>
<p>RO</p>	<p>Government Emergency Ordinance No 120/2007 published in the Romanian Official Gazette, Part I, No 745 of 2.11.2007 (amendment and supplement of Government Emergency Ordinance No 67/2006)</p> <p>Ordinance on managing non-returnable funds intended for the financing of the Common Agricultural Policy, allocated from the European Community as well as of co-financing and pre-financing funds allocated from the state budget. It stipulates the necessary financial measures regarding the allocation method for pre-financing and co-financing from the state budget in order to support the beneficiaries of European funds related to the Common Agricultural Policy. At the same time, the Payment Agency for Rural Development and Fishing (Romanian acronym APDRP) may grant the payment in advance from the EAFRD assistance or from the state budget to the public beneficiaries of the non-returnable financial support for investments, pursuant to provisions stipulated in the National Program for Rural Development (Romanian acronym: PNDR).</p> <p>Law No139/2007 on the approval of Government Emergency Ordinance No 125/2006 published in the Romanian Official Gazette, Part I, No 352/23.05.2007 (amendment of Article 2 of Law No 36/1991)</p> <p>Law approving the direct payment and direct national supplementary payment schemes granted in the agricultural field starting with 2007 and amending Article 2 of Law No 36/1991 on agricultural establishments and other forms of association in the agricultural field, Persons who, by registering and certifying false data or circumstances in the discounting documents related to the financial support stipulated by this Emergency Ordinance, improperly cash certain amounts from the state budget will not benefit from a financial support for a period of 3 years.</p> <p>Order of the Minister of Agriculture and Regional Development No 704/2007 published in the Romanian Official Gazette, Part I, No 607/3.09.2007 (repeal</p>

<p>1.3. Agricultural expenditure (expenditure financed by EAGF / EAGGF - Guarantee Section)</p> <p>– Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.</p>	
	<p>of the Order of the Minister of Agriculture, Forests and Rural Development No 607/2006)</p> <p>Order laying down the method for the implementation of specific conditions and eligibility criteria for the application of direct payment and national supplementary direct payment schemes in the plant sector.</p>
FI	<p>Åland: Section 2 of Regional Act on the Financing of Agricultural Industries (ÅFS 63/2007)</p> <p>This Act applies to the province's national aid system and to that co-financed from EU funds within the framework of the Community's Common Agricultural Policy.</p>

<p>1.4. Structural operations</p> <p>Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.</p>	
<p>If so, please give a brief description below. Please indicate:</p> <p>Type of instrument (e.g. law, regulation, decree)</p> <p>References of the legal instrument (number/date of publication in Official Gazette, etc.)</p> <p>References of the legal instrument or code that is amended (if any)</p> <p>Title of the legal instrument or a brief description (no longer than one or two sentences)</p> <p>Whether the measures are general or whether they apply to a specific fund and, if so, which one.</p>	
BE	<p>Royal order 2007-4172 [C-2007/03450] of 17 August 2007 published in the Official Gazette of 18 October 2007/p.53962</p> <p>This Royal order aims at guaranteeing that the conditions for an efficient evaluation of internal control systems have been met. It contributes to the implementation of a “control chain” (single audit), held dear by the European Court of Auditors</p> <p>Royal order 2007-4173 [C-2007/03449] of 17 August 2007 published in the</p>

1.4. Structural operations

Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.

	<p>Official Gazette of 18 October 2007/p.53990</p> <p>This Royal Order sets up an Audit Committee that guarantees that internal audit activities are performed in compliance with internationally recognised standards and complete independence.</p>
BG	<p>Guidelines of the Minister of Finance No. 01/27.08.2007 on the terms and conditions for payment of grants using the resources of the Structural and Cohesion Funds of the European Union and the corresponding national co-financing.</p> <p>Guidelines of the Minister of Finance No. 02/31.08.2007 on the certification of expenses under Operational Programmes co-financed by the Structural and Cohesion Funds of the European Union.</p> <p>Guidelines of the Minister of Finance No. 03/17.09.2007 on procedures to report and account for any irregularities under the Structural and Cohesion Funds of the European Union.</p> <p>Guidelines of the Minister of Finance No. 04/05.10.2007 on the arrangement of the accounting process within the Managing Authorities / Intermediate Bodies that manage resources under the Structural and Cohesion Funds of the EU, and the corresponding national co-financing.</p>
CZ	<p>See point 1.5.</p> <p>Methodology of Financial Flows and Control of Programmes Cofinanced from Structural Funds, Cohension Fund and the European Fisheries Fund for the Programming Period 2007-2013, effective from 1 January 2007, approved by a Government Resolution (Methodology of Financial Flows) applying to the SF and the CF.</p> <p>Government Resolution No. 1010/2007 of 5 September 2007, applying horizontally to irregularities. Horizontal scope (applies to the SF and the CF), removing obsolescence and providing for a uniform approach by bodies in the implementing structure in case of discovering and investigating irregularities.</p>
EL	<p>See point 1.5.</p>
IT	<p>Decision No 822 of the Regional Government of 12.12.2007 – Manual of Procedures for the paying agencies involved in the ROP for Calabria 2000 – 2006, Circular 5128 of 21.09.2007</p> <p>The decision contains explanations by the managing and paying authorities regarding implementation of procedures for the withdrawal of amounts connected</p>

1.4. Structural operations

Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.

	<p>with irregularities.</p> <p>Decision No 102 of the Autonomous Province of Trento of 26.01.2007</p> <p>Decision concerning methods of recognising and establishing the actual cost of delegated tasks in connection with courses funded by the ESF in the period 2000-2004 where it has been discovered that one company controlled or had links with other companies.</p>
LV	<p>European Union Structural Fund and Cohesion Fund Management Act, of 15 February 2007 published in the Official Gazette No 33 of 23 February 2007 and in force as from 1.3.2007.</p> <p>On the basis of the European Union Structural Fund and Cohesion Fund Management Act, a series of Cabinet Regulations pertaining to European Union Structural Funds and the Cohesion Fund were issued in 2007.</p>
HU	<p>Government Decree 402/2007 (XII. 27.) (amendment of Government Decree 281/2006. (XII. 23.))</p> <p>Decree on creating financial implementation and supervisory systems related to receiving aid from the European Regional Development Fund, the European Social Fund and the Cohesion Fund in the 2007–2013 programming period. According to Art. 40(7) the National Development Agency publishes on its homepage irregularity proceeding decisions of the National Development Agency and the cooperating bodies that declare irregularities. They are published 30 days following the date of the decision, indicate the name of the beneficiary, the title of the programme, the way the irregularity was committed, the consequences of the irregularity and the amount affected by the irregularity. These data must not include personal data.</p> <p>Act CLXXI of 2007 on the transparency of subsidies from public sources</p>
NL	<p>See point 1.5</p>
PT	<p>Council of Ministers Resolution 169/2007 published in the Official Gazette No 202, 1st series, of 19.10.2007)</p> <p>Resolution creating the mission structures responsible for exercising the duties of the management authorities of the mainland's regional Ops.</p> <p>Regional Legislative Decree 20/2007/M of 27.11.2007 published in the Official Gazette No 228, 1st series)</p>

1.4. Structural operations

Have there been any significant new legislative developments (not just implementing measures) contributing to the implementation of Article 280 of the Treaty in 2007? Member States are asked to list only national measures and not those which simply transpose Community legislation.

	<p>Decree defining for the Autonomous Region of Madeira the governance model for the respective operating programmes and interaction with other EU funding which this Region receives</p> <p>Regulatory Decree 84-A/2007 (DR No 37, 1st series, 10/10/2007)</p> <p>Decree establishing the legal arrangements for management, access and funding under the operating programmes funded by the ESF.</p>
RO	<p>Government Decision No 759/2007 establishing the legal framework for the eligibility of expenditures for beneficiaries within the operations financed through operational programs, published in the Romanian Official Gazette, Part I, No 517 /1.08.2007</p>
SK	<p>Several guidelines/manuals have been adopted or updated in 2007 concerning the financial management of funds and concerning the irregularities.</p>
SE	<p>Regulation (2007:14) Administration of the EU Structural Funds</p> <p>On the basis of the new programme period, a national regulation has been adopted with respect to the administration of the EU structural funds (2007:14). This regulation indicates that Sweden has modified the implementation structure for the regional fund in the programme period 2007-2013. Verket för näringslivsutveckling (Nutek) (The Authority for the Development of Commerce and Industry) has been appointed as administrative and attesting authority for the regional fund programmes. Ekonomistyrningsverket (ESV) (The Financial Control Authority) is the new auditing authority for the structural fund programme mentioned above. With respect to social funds, Svenska ESF-rådet (The Swedish ESF Council) has been appointed as administrative and attesting authority. ESV has been appointed as the new auditing authority for social funds.</p> <p>In order to safeguard the competence remains needed to terminate the programme period 2000-2006 and to develop the programme period 2007-2013, activities have been transferred to Nutek, Svenska ESF-rådet and ESV from the earlier administration, paying-out and audit authorities.</p>

1.5. Description of key developments

Member States are invited to describe the two or three most important measures (whether legislative or administrative) taken in the course of 2007 on which they wish to provide more detailed information. These should be measures adopted at Member States' own initiative and not measures which simply transpose Community legislation.

In particular, Member States are asked to indicate:

- Type of measure (law, regulation, etc.) and references (number, date of adoption and/or publication, name of programme, etc.)
- Its scope (horizontal, specific field)
- Why it was needed
- Improvements made to the existing system.

BE

Customs operations:

The Kingdom of Belgium submitted to the Secretary General of the Council of the European Union on 16 March 2007:

The declaration provided for by article 32 (4) of the Agreement issued on the basis of article K.3 of the European Union Treaty on mutual assistance and cooperation among customs authorities. According to this declaration, the Agreement, excluding article 26 thereof, shall be applicable with respect to Belgium, in its relations with the member States that issued the same declaration. This involves allowing the implementation of the provisions of the Agreement between Belgium and other member governments, pending the complete effectiveness of the Agreement. This declaration actually took effect on 14 June 2007.

The declaration provided for by article 26 (4) of the same Agreement whereby Belgium recognises the competence of the Court of Justice of European communities to rule on an interlocutory basis on the interpretation of the Agreement.

An order was issued by the Government of the Brussels-Capital Region on 18 October 2007, laying down the terms and conditions for internal controls, especially internal controls per trade/profession, accounting control and good financial management control. It was published in the *Moniteur belge* (Belgian gazette).

The scope of action is specific (internal management).

An in situ reminder of administrative controls capable of cutting down community or even national financing was issued to each FSE beneficiary in the form of a periodical disclosure (June 2007). This information is equally available on the site of the Agency.

1.5. Description of key developments

Member States are invited to describe the two or three most important measures (whether legislative or administrative) taken in the course of 2007 on which they wish to provide more detailed information. These should be measures adopted at Member States' own initiative and not measures which simply transpose Community legislation.

BG

Strategy against Fraud Affecting the European Communities' Financial Interests, adopted by the Council of Ministers with Protocol No. 41, p.7/13.10.2005 as amended in July 2006 and May 2007.

The Strategy spells out the commitment of the Bulgarian Government to fight against fraud affecting the European Communities' financial interests.

Three main priorities have been introduced, each of them broken down into specific measures that are laid down in detailed annual action plans. The update of the Strategy in 2007 is aimed at its precision after the fulfillment of two of the objectives set and the implementation of measures set in the Action Plan on the Implementation of the Strategy.

The first amendment concerning the inclusion of key players in the national coordination mechanism for prevention and fight against fraud and irregularities affecting the financial interests of the European Communities has been implemented. Those key players have been included as members of the AFCOS Council by virtue of Council of Ministers Decree №176/2006.

The second amendment follows the implementation of Measure 1 of Priority 1 concerning the establishment of the Central Unit for co-ordination in the fight against infringements, affecting the financial interests of the European Communities. After the establishment of the Central Unit the text has been changed in order to focus on the strengthening of the Central Unit's administrative capacity.

The third amendment concerns the deadlines in the last paragraph of the Strategy with regard to the fulfilled tasks included in the 2007 Plan on the implementation of the Strategy.

CZ

Adopted Methodology of Financial Flows and Control of Programmes Co-financed from Structural Funds, Cohesion Funds and the European Fisheries Fund for the Programming Period 2007-2013, effective from 1 January 2007, which has been approved by a Government Resolution ("Methodology of Financial Flows"); applies to the SF and the CF.

Government Resolution No 1010/2007 of 5 September 2007, applies horizontally to irregularities. Horizontal scope (applies to the SF and the CF), removes obsolescences and provides for a uniform approach by bodies in the implementing structure in case of discovering and investigating irregularities.

Administrative measures of the Ministry of Agriculture:

1.5. Description of key developments	
Member States are invited to describe the two or three most important measures (whether <u>legislative or administrative</u>) taken in the course of 2007 on which they wish to provide more detailed information. These should be measures adopted at Member States' own initiative and not measures which simply transpose Community legislation.	
	<p>Rural Development Programme of the Czech Republic for 2007-2013 (EAFRD) of 23 May 2007.</p> <p>Fisheries Operational Programme (EFF) for the Czech Republic of 11 December 2007.</p>
DE	Error evaluation guidance for independent bodies.
EE	The infringement module of the Structural Funds Operational System (SFOS) began operating on 1 July 2007 . All structural fund and Equal-related infringements are presented to the Ministry of Finance in electronic form. Since 1 July 2007 all infringement cases for which a definitive solution has been found have been publicly available on the Ministry of Finance website http://www.fin.ee/?id=10570 . The site gives details of the aid recipient's name, the names of the bodies granting the aid, a short description of the infringement, and an indication of the final outcome. The information is updated quarterly (legal basis: §20 "Publication" of "Conditions and procedure for recovering and refunding aid, forwarding information on infringements concerning the granting and use of aid" (https://www.riigiteataja.ee/ert/act.jsp?id=12769549)).
IE	A new computerised system was introduced by the Revenue Commissioners in June 2007 which contained a comprehensive risk management system. This enables the Revenue Commissioners to set and refine selection criterion and monitor results on an ongoing basis. This increased capability will assist in identifying consignments that pose a customs risk either financial or otherwise. An improved computer system for the Early Retirement Scheme (ERS3) was introduced by the Department of Agriculture, Fisheries and Food in August 2007. The new computer system includes various controls such as validation of beneficiary ID numbers, in order to ensure that duplicate payments do not issue.
EL	<p>1) LAW 3614/2007 on the management, control and application of development interventions for the programming period 2007-2013 published in the Government Gazette No 267A of 03.12.2007</p> <p>Law 3614/07 transposes the requirements of the regulations on management and control systems for the programming period 2007-2013 into national law and also enacts regulations to ensure that these systems function more effectively and yield better results in terms of especially important factors in improving Greece's ability to manage and implement cohesion policy.</p> <p>Using existing structures and staffing resources of the management and control system for the 3rd CSF will ensure that full advantage is taken of the experience acquired during the 3rd CSF, which will be conducive in achieving anticipated</p>

1.5. Description of key developments

Member States are invited to describe the two or three most important measures (whether legislative or administrative) taken in the course of 2007 on which they wish to provide more detailed information. These should be measures adopted at Member States' own initiative and not measures which simply transpose Community legislation.

development targets and that the programmes for the period 2007-2013 can be activated immediately and will guarantee the conditions needed for a smooth transition to this period and lower installation and commissioning costs for the new systems.

Furthermore, in order to address the weaknesses identified in the existing management and control system, provision has been made for measures designed primarily to:

- improve the functioning of the special departments and limit administrative costs (internal rules of procedure / introduction of new electronic communication system / adoption of annual programming) ;

- speed up management and control system procedures and improve transparency (open procedures / deadlines for complementing preliminary approval procedures / faster registration of projects in the public investment programme / faster audit reports etc) ;

- prevent failures and, at the same time, strengthen basic monitoring of projects;

- set up sectoral or cross-sectoral coordination mechanisms to safeguard synergies and complementarity between cofinanced actions and consistency between them and national policies;

- make rational use of public resources and maximum development results (adopt national public resource programming and management rules / support the regions in development planning with regional development organisations / introduce incentives for bodies to achieve their targets);

- improve the administrative capacity of the project implementing bodies (beneficiaries), by introducing a system for confirming their administrative adequacy;

- support local authority bodies in implementing projects, so that projects can be delivered to local communities on time in the right quantity and of the right standard.

- speed up the implementation of projects by simplifying the supporting documentation required in order to bid in competitions, instituting a coordinator to monitor the implementation of large projects etc.

2) Law 3583/2007 published in the Government Gazette No 142A of 28.06.2007 (amendment of the law 2960/01 of the National Customs Code

	<p>1.5. Description of key developments</p> <p>Member States are invited to describe the two or three most important measures (whether <u>legislative or administrative</u>) taken in the course of 2007 on which they wish to provide more detailed information. These should be measures adopted at Member States' own initiative and not measures which simply transpose Community legislation.</p>
	<p>This law includes provisions to:</p> <p>A) revise fines for infringing transit scheme rules;</p> <p>B) introduce an administrative fine for adulterated/pirate goods found during customs controls under import, export and transit schemes;</p> <p>C) introduce mandatory destruction of cigarettes seized and confiscated in order to protect public health and safeguard the EU's own resources.</p>
<p>IT</p>	<p>Presidential Decree No 91 of 14.5.2007 (amendment of section 76 of Act No 92/142 on the Committee on the Fight against Community Fraud)</p> <p>Decree assigning the Committee a consultative and guidance role for the coordination of all activities in the fight against fraud and irregularities involving tax, agricultural policy and the structural funds.</p> <p>The Committee produces practical proposals to encourage the uniformity and timeliness of action taken by the departments concerned, proposes new rules or amendments to existing rules on the application of the law or in response to fresh developments and deals with questions regarding compliance with Article 280 of the Amsterdam Treaty and subjects relating to the flow of information on undue payments and recoveries.</p> <p>By Order of 3 August 2007, the Minister for European Policy set out the membership of the Committee. Chaired by the HoD, it includes senior representatives from all the other departments concerned.</p> <p>An operation has been launched involving crosschecking and harmonising electronic information with the European Commission with a view to developing a more efficient method of managing and analysing information on irregularities and fraud reported.</p> <p>The Committee has also decided to set up a working party to develop a shared computer environment (project AIC) to generate dissuasive fraud prevention strategies and encourage measures to improve recovery.</p> <p>Finally, research is underway into the production of an operation manual for the recovery of funds unduly obtained.</p>
<p>LV</p>	<p>European Union Structural Fund and Cohesion Fund Management Act of 15 February 2007 published in the Official Gazette No 33 of 23 February 2007 and in force as from 1 March 2007.</p>

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The aim of the Act is to determine how European Union funds are to be managed, in order to utilize European Union funds in Latvia in a way that is effective, transparent and in line with financial management principles. Among the key improvements compared with the legal act pertaining to the previous planning period are:

- procedures for resolving disputes over disbursed European Union funds have been rendered more specific or clarified;
- the types of decisions to be taken by institutions involved in the management of European Union funds have been clarified.

Cabinet Regulation No 419 of 26 June 2007 published in the Official Gazette No 104 on 29.6.2007.

Procedures to be followed by institutions involved in the management of European Union Structural Funds and the Cohesion Fund in order ensure the preparation of planning documents and the implementation of the aforementioned funds. These provisions determine the competences and responsibilities of the institutions involved in the management of European Union (EU) funds for the 2007-2013 programming period, as well as procedures for participation in the management of those funds, thus controlling expenditure affected within the framework of the EU funds. One of the prerequisites for considering expenditure from EU funds to be appropriate is the implementation of procurement procedures in accordance with regulations on public procurement. For this reason, in accordance with the regulations, the Procurement Monitoring Bureau (hereinafter 'the Bureau') is involved in EU funds management and ensures that procurement undertaken by fund beneficiaries is subject to *ex ante* controls. Based on procurement plans prepared by the funding beneficiaries, the Bureau verifies at random whether procurement procedures are in line with public-procurement-related regulations, thus giving funding beneficiaries the opportunity to avert the infringements detected – which could result in irregular expenditure – before procurement contract is concluded.

Section 28 of the Taxes and Fees Act of 8.11.2007 (amended)

Taxpayers' rights to use financial resources will no longer be limited and overcharged amounts of VAT can be paid out if the taxpayer gives a surety or

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collateral. Until the amendments were adopted, the tax administration, in accordance with the relevant article of the abovementioned law, could refuse to pay the taxpayer back any overcharged VAT, if the taxpayer in question was subject to criminal proceedings concerning a criminal offence that could have some bearing on the amount of tax at issue. In this way the retention of recoverable funds was ensured.

Criminal Offences Act. Published in the Official Gazette No 208 of 29 December 2007 (amended)

The amendment stipulates stiffer penalties for criminal offences perpetrated by an organised group, including for criminal offences that could affect the financial interests of the European Union. This measure was necessary for improving the fight against organised crime.

Introduction of the 'Common Assessment Framework'

This framework will be applied to agriculture (the European Agriculture Fund for Rural Development (EAFRD), the European Agricultural Guarantee Fund (EAGF) and the European Fisheries Fund (EFF)).

The implementation of the project is in line with guidelines on improving the administrative capacity of public administrations outlined in the Lisbon Strategy and the European Commission's Communication "Better Regulation for Growth and Jobs in the European Union".

HU

In 2007 some amendments were made in the field of the fight against the black economy (e.g. employment without registration, VAT fraud and other forms of fraud infringing other financial interests) that are important for the tax authority. Based on these amendments several decrees were adopted by the Chairman of the APEH (Tax and Financial Control Office) to encourage faster and more efficient actions. One such measure is **Decree 1062/B/2007 of the APEH Chairman**, on the basis of which it became possible for the so-called „RAPID” groups to conduct coordinated, country-wide unified control procedures in case of taxpayers chosen for central control procedure. „RAPID” reaction groups were created in 2005 to support control activities. At the same time a governmental decision about a 40% increase of the force was also adopted.

An amendment of the cooperation agreement between the APEH and the

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Hungarian Customs and Finance Guard provides for cooperation on the control actions, the creation of a framework for transferring information and training activities, and mutual help in implementing certain tasks within the competence of the parties. The amendment has been in force since 15.5.2007.

Decree 1028/B/2007 APEH provides for the rules of central control procedures introduced by Art. 88/A. The abovementioned Central Control Field was created by this decree in the Directorate of Prominent Taxpayers. The existing system could also be developed in 2007 by the possibility to contact directly international partners and the tightening of links to the OLAF.

An important development in November 2007 was starting a homepage against corruption called ANTI-LOP where anyone can report alleged irregularities or misuse of EU aids. These reports are always investigated.

MT

Farm Advisory Services Regulations (LN66/07) published in the Government Gazette No. 18,055 of 23 March 2007

The scope of these regulations is to assist farmers and forest holders by providing professional advice on statutory management requirements, good agricultural and environmental conditions, occupational safety standards and all associated Community legislation for the improvement of the overall performance of their holding. The legal notice provides for personal data protection (Art. 3(1)), withdrawal of a certificate in case of specific irregularities (Art. 14(1)), administrative sanction (amend, exclusion from funding) to entities which commit specific irregularities (Art. 15).

Dispute Resolution Board Regulations (LN168/07) published in the Government Gazette No. 18,094 of 28 June 2007

According to Article 3 (2), the objective of the Dispute Resolution Board will be that of resolving disputes between farmers, and between a farmer and the Paying Agency and, or its delegated services, in a simple, expedient and transparent manner, avoiding unnecessary expenses.

Article 6 - The Dispute Resolution Board shall resolve agricultural and veterinary disputes by adopting two modes of procedure, namely the conciliation procedure and the arbitration procedure.

Producer Organisations (Certain Products) Regulations LN237/07 published in the Government Gazette No. 18,116 of 21.8.2007.

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These Regulations contain provisions regarding Producer Organisations. A section of these regulations relates to recovery and penalties in cases where public aid deriving from the European Union has been unduly paid to Producer Organisations or has been applied for fraudulently or irregularly by Producer Organisations.

Article 4 of Part II of these Regulations lists the criteria that should be met by a producer group for the latter to be recognised as a Producer Organisation by the Director of Agriculture.

In accordance to Article 7 (b), the Director of Agriculture shall carry out inspections at regular intervals to ascertain that producer organisations comply with the terms and conditions for recognition, impose in the event of non-compliance the applicable penalties as indicated under Part 4 of same regulations and decide, where necessary, to withdraw recognition.

Part IV relates to Recovery and Penalties, also vis-à-vis funds received from the European Union. Article 10 states that: public aid deriving from the European Union which is unduly paid, or aid applied for fraudulently or irregularly, shall be recovered or withheld, and penalties shall be imposed on the beneficiary or on the applicant concerned, or both, according to the provisions of Article 63 of Regulation 445/2002 of 26 February 2002 laying down detailed rules for the application of Council Regulation (EC) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF).

Article 11 provides that any producer organisation or inter-branch organisation which fails to comply with, or contravenes, any of the provisions of the regulations in question shall be liable to an administrative fine, which shall be imposed by the Director of Agriculture, of not less than one hundred (100) Maltese liri and not more than one thousand (1000) Maltese liri for each offence, and to an additional administrative fine of fifty (50) Maltese liri for each day during which the said failure to comply or such contravention persists.

Electronic Audit Investigative Methods

During 2007, action was taken to introduce electronic audit investigative methods with the aim of identifying cases of VAT evasion.

NL

A number of measures designed to improve the system were taken in 2007. The D2 and D1 structural funds programmes in the Netherlands have drawn up a National Action Plan incorporating such measures. All the checklists for Articles 4 and 9, for instance, have been reviewed and amended. These have to do with

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project inspections and on-the-spot inspections conducted by the paying authorities when drawing up requests for payment to be declared in Brussels. The accountants are also asked to provide a Statement of Assurance on the activities covered by the programmes.

There is also an improved legal basis for responsibilities, as in the abovementioned Decree (see 1.4). During the 2000-2006 programme period, there was no legal instrument stipulating the parties responsible for implementing the Structural Funds in the Netherlands, just a voluntary agreement. These parties are, however, legally stipulated by the abovementioned Decree for the 2007-2013 programme period, which means that there is an improved basis for their responsibilities as regards the implementation of Article 290 in the context of the ERDF structural funds.

- **Decree of 3 October 2007 Bulletin of Acts and Decrees 2007, 387** laying down rules on the administrative organisation and co-funding by the Dutch state of projects covered by the European Regional Development Fund for the 2007-2013 programme period (Decision on the ERDF for the 2007-2013 programme period).

- **Rules on ERDF Objective 2, 2007-2013 programme period, Government Gazette of 15 November 2007, No 222, page 8;**

- **Rules on ERDF Objective 3, 2007-2013 programme period, Government Gazette of 20 December 2007, No 247, page 27.**

PL See point 1.1.

PT **Decree-Law 312/2007 of 17.9.2007 published in the Official Gazette No 179, 1st series, of 17/9/2007**

Decree-Law defining the governance model of the NSRF and the respective operating programmes, and establishes the organic structure for monitoring, auditing and control, certification, management, strategic counselling, follow-up and assessment. This Law confers on the IGF (Articles 20 and 21) powers as audit authority for all OPs.

Joint initiative of the Criminal Police, the DGCI and the IGF against Corruption – on the basis of a set of structural reforms essential for the recovery of the national economy and consequently boosting well-being and prosperity in Portugal, the criminal police, the DGCI and the IGF implemented a joint initiative which in recent years has made a concerted effort to draw up a dossier regarding integrity and transparency in the fight against corruption. Published in 2007, the dossier denounced corruption, the ways in which it manifests itself, and the goals,

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strategies and results of combating it, it is a means for disseminating the message about how corruption, tax fraud, the peddling of influence and money laundering have a devastating effect on the competitiveness of economic agents, inhibiting the full functioning of the market under healthy conditions of competitions. This document also appeals to citizens to engage responsibly in the fight against fraud and corruption.

Computer applications: On 1 January 2007 the computer application STADA Exportação came into operation. This application automatically handles export customs declarations, leading to the phasing out of the paper-based declarations previously used. Following the automation of the procedures for making export declarations, in conjunction with this computerisation process DGAIEC and DGITA have jointly developed an automatic selection system called Automatic Selection System (SSA). Since that date, the detection of risky situations and consequent selection for control have therefore been based on uniform standards and criteria automatically applied to the elements of the customs export declaration at all times, thereby helping ensure faster, more efficient and selective customs controls, in order to maintain a fair balance between the need for customs controls and the facilitation of legitimate trade. The same system has been applied to the Summary Declaration System (SDS) in order to simplify the procedures, custom controls and risk analysis.

RO

Government Decision No 793 of 14 July 2005 approving the National Anti-Fraud Strategy for protecting the financial interests of the European Union in Romania, published in the Romanian Official Gazette, Part I, No 743/16.08.2005.

Adopted by the Government in July 2005, the Strategy (Romanian acronym: SNLAF) is a complex document concerning the harmonization of national legislation regulations with the European regulations related to the protection of the European Communities' financial interests (PIF) and the preparation of the legal, institutional and operational framework for accession, in the following areas: fiscal control, investigation and prosecution of fraud cases, financial recovery, anti-fraud coordination. Following the SNLAF implementation, the Criminal Code and other special laws, and the Criminal Procedure Code, were amended to provide for the criminal liability for legal persons. The transposition of the PIF Convention provisions in the Romanian legislation was concluded. Following cooperation with the institutions responsible for implementing the measures contained in the SNLAF Action Plan, with the Public Policies Unity within the Government General Secretariat and the consultations with OLAF and the European Commission Delegation in Romania, in 2006 DLAF updated the Strategy and its Action Plan. Following the update, the SNLAF implementation

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period was extended until July 2007.

Government Ordinance No 12/2007 on the control and recovery of Community funds as well as related co-financing funds used improperly, published in the Romanian Official Gazette, Part I, No 84/2.02.2007 (amendment and supplement of Government Ordinance No 79/2003)

The main provisions adopted are intended for: defining the notions of irregularity and fraud, extending the scope of provisions stipulated in Government Ordinance No 79/2003 to also cover post-accession funds, creating an efficient mechanism for identifying irregularities and recovering improperly used Community funds, assimilating Community debts with national fiscal debts, granting the National Fiscal Administration Agency (Romanian acronym: ANAF) with exclusive powers in order to carry out the forced execution procedure in case of damages to Community funds, externalizing the activities of identifying budgetary debts to the General Inspection within the Ministry of Economy and Finance in the event of a conflict of interests at the level of the authorities in charge of the management of Community funds and associated co-financing, establishing the procedure for settling contestations, separating the control activity related to obtaining, performing and using funds from the financial support granted to Romania by the European Union, from the identification activity in order to recover the amounts disbursed from non-returnable Community financial support.

SK **Resolution No. 547/2007 approving the National strategy for protecting the financial interests of the European Community in the Slovak Republic.**

The national strategy is a strategic document whose aim is to ensure the fulfilment by the Slovak Republic of its undertakings under Article 280 of the Treaty on European Union.

Resolution No. 889/2007 approving a National Strategy Action Plan to implement the National Strategy.

It sets out specific tasks, assigns responsibility for these tasks and sets deadlines for their completion. The tasks established in the Action Plan are categorised by individual areas, i.e.:

– Coordination and cooperation

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- Legislation and methodological guidelines
- Raising awareness
- Education
- System of control and audit
- Notifying and analysing irregularities
- Disclosure and investigation of irregularities
- Remedy and recourse
- National Strategy implementation and development

The Action plan is the responsibility of the Slovak Government EU financial interest protection and anti-corruption section, the Managing Authority for the protection of EC Financial Interests in the Slovak Republic, whose regulations were approved by Government Resolution No. 748/2007, and partners of the AFCOS network, the AFCOS network being understood as a system of collaborating bodies whose main purpose is cooperation in implementing tasks to protect EC financial interests and the effective communication with the European Anti-Fraud Office and other Member States.

Managing authority for protecting the financial interests of the European Community in the Slovak Republic.

The Managing Authority was established on the basis of the approved National Strategy for protecting the financial interests of the European Union in the Slovak Republic.

Resolution No. 748/2007 approving the status of the managing authority.

The Managing Authority has 20 members representing 19 AFCOS partner organisations. Six working groups were set up under the Managing Authority to tackle particular tasks.

FI

The amendment of the rules of procedure of the Customs on 30 August 2007 reformed the organisation and tasks of the National Board of Customs. The supervision of risk management and the control function were merged to become a single department alongside the Foreign Trade, Taxation and Intelligence and Investigation Departments, which control the main processes. This strengthens the

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significance of the function at the institutional level and reinforces the implementation of the matrix control model. Control units were established at the District Customs Offices. The tasks of the units are principally in line with the tasks of the Control Department of the National Board of Customs.

SE

Common framework for internal control – Internal Control regulation (2007:603), Authority regulation (2007:515), Internal Audit regulation (2006:1228) and regulation for Annual Reports and Budget Procedures (2000:605).

On January 1, 2008, a **general framework was introduced for internal control by national authorities**. The framework consists of several instruments. Apart from a new regulation concerned with internal control regulation (2007:603), the framework comprises the new authority regulation (2007: 515) concerning management responsibility, the internal audit regulation (2006:1228) concerning the objective of auditing and a regulation regarding annual reports and basic data for budget procedures (2000:605) with respect to the signing of annual reports. All the modifications have been decided by the Government. The Framework applies to EU funds that are administered nationally.

The authorities concerned have to carry out a risk analysis, implement regulatory measures, follow up and appraise internal regulation and control systematically and continuously and document risk analysis, regulatory measures, follow up and appraisal.

The authorities with administrative or attestation responsibility for EU resources are to establish internal auditing.

By signing annual reports, the authority management certifies that the document presents a correct representation of the result of activities and expenses, income and the financial standing of the authority.

By signing the annual report, the authority management certifies to the Government that the accounts are reliable and that the internal control is satisfactory.

Through the decision to introduce a joint framework for internal control on a national basis, the Government can, for the first time concerning the financial year 2008, provide a national declaration with respect to the administration of EU

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funds. The framework provides an important basis for a national declaration and the ambition is to create a more effective administrative and control system with respect to EU resources.

In this connection, the Government has commissioned Ekonomistyrningsverket ESV (The Swedish National Financial Management Authority) to act as a national audit organ for the EU resources that are handled in Sweden with effect from 1 January 2007, Regulation (2007: 761) with instructions for ESV to examine the EU programmes and funds where responsibility for sound financial administration and the implementation of effective controls is shared between the Swedish authorities and the Commission. The intention of this measure has been to concentrate Swedish competence and resources for EU auditing on one authority in order to reinforce quality and efficiency in auditing work and to make possible the flexible application of resources and competence between the old and the new programme periods.

UK

England, Communities and Local Government (CLG) - Administrative guidance notes to Government Offices (GO) in the Regions, for ERDF.

ERDF Management Note No.1 applying to the 2000-06 ERDF programmes (issued in January 2007). This note gives advice on:

- Grant claims supporting documentation - highlighting the practice in many GOs for the Region whereby grant claim system must be made secure by the requirement of grant recipients to provide sufficient supporting documentation to permit effective desk checks.
- Management of irregularities – recent audit work revealed a lot of good practice around the handling of irregularities. However, there were also concerns, in some cases, about the lack of comprehensive data and relatively slow rate of clearance. CLG plan to revise the guidance note on this subject.
- Planning Article 4 work – GOs being strongly advised to plan their action to meet the Article 4 Monitoring Assurance Framework requirements to take account of the programme closure process.
- PAV (progress and verification) Document retention – GOs are to ensure that evidence of audit trail identified in Article 4 PAVs are available for subsequent audit inspections. *Reasoning ...* recent

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round of audits noted the lack of sufficient evidence of the expenditure checking undertaken as part of PAV.

Guidance Note (GN) 3.17 (issued in August 2007) on Managing ERDF Irregularities and Financial Corrections (2000-06 programmes). Following on from Management Note No.1, section b), CLG issued a revised and comprehensive guidance note on the recording, reporting and management of irregularities including the impact on declarations to the Commission. The aim is to close (within reason) all irregularity cases before programme closure.

GN1.9 (supplementary) (issued October 2007) on the procedures that need to be followed by GOs in order to produce a full drawdown request document set (declaration of expenditure) following the implementation of the TESA (the new ERDF IT system) application.

For **Scotland**, action plans have been agreed with DG Regio that will result in 30% of approved projects being subject to an Article 4 visit. The visiting officers will verify a minimum of 20% of cumulative eligible expenditure and the scope of the visit has been widened.

2. LIMITATION PERIODS FOR PROCEEDINGS ON IRREGULARITIES AND SUBSEQUENT DECISIONS ESTABLISHING ADMINISTRATIVE PENALTIES OR MEASURES

The Member States are responsible for proceedings on irregularities and for implementing the decisions taken on the outcome of such proceedings as regards traditional resources such as customs levies or sums disbursed by the Community in the field of indirect expenditure, i.e. funds managed by the Member States on behalf of the Communities, mainly funds of the European Agricultural Guarantee Fund (hereinafter "EAGF", the former European agricultural guidance and guarantee fund, guarantee section³), structural funds, cohesion fund, European fisheries fund, and European agricultural fund for rural development. Statistics obtained on irregularities communicated by the Member States appear to show that the possibility of imposing measures and sanctions in the wake of irregularities affecting the financial interests of the EC depends on action being taken within the set limitation periods. The implications for the protection of the Community's financial interests are considerable.

Article 3 of Council Regulation (EC, EURATOM) No 2988/95 establishes a limitation period for proceedings of four years, and for implementing the decision establishing the administrative penalty of three years, applicable throughout the European Union.⁴ This limitation period applies to irregularities concerning traditional resources and funds under shared management.⁵

On the limitation period for proceedings, Member States have the possibility of applying a period which is longer than that provided for in Article 3(1) of Regulation No 2988/95. The Court has stated that the limitation period of four years in Article 3(1) covers procedures possibly leading to both, administrative measures (Article 4 of Regulation No 2988/95) and penalties (Article 5 of Regulation No 2988/95), and that it is directly applicable in the Member States in the absence of national rules providing for a longer limitation period.⁶

As regards the limitation period for implementing the decision establishing the administrative penalty, national law may provide for a period exceeding the three years laid down in Article 3(2) of Regulation No 2988/95, but also govern instances of interruption and suspension.

Article 3 of Regulation No 2988/95 contains no rules on the limitation period for implementing the decision establishing an administrative measure (in particular recovery), and thus it must be assumed that for these decisions national rules on limitation periods and their interruption and suspension apply.

³ As for the questions in this section, if they refer to the EAGF they are intended to comprise as well the European agricultural guidance and guarantee fund, guarantee section.

⁴ Article 3 has been interpreted in various judgments of the European Court of Justice (notably Case C-226/03 P, José Martí Peix SA v Commission, Case C-278/02, Herbert Handlbauer GmbH and Case C-279/05, Vonk Dairy Products BV v Productschap Zuivel), and is still subject to pending cases (joint cases C278/07, C279/07, C280/07, Vosding et al.)

⁵ As regards direct expenditure administrated by the Commission, the limitation period of Article 73a of the Financial Regulation, further specified in Article 85b of the Implementing Rules, applies. The limitation period for direct expenditure is not subject to the present questionnaire.

⁶ Case C-278/02, Herbert Handlbauer GmbH, ECR [2004] Page I-6171.

Member States have been asked to reply as comprehensively and concisely as possible so as to enable the Commission to make useful comparisons and provide feedback. The analysis has been restricted to administrative procedures; therefore, neither criminal nor civil law limitation periods, nor Community law references have been included. Limitation periods have been taken into account only if they were longer than those set by the Community law and starting dates for limitation periods have been only considered if they were different from the date in which the decision becomes final. If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period. Since not all Member States provided references to the Official Journals and references to amended laws, these references have been omitted.

2.1. Limitation period for proceedings

2.1.1. Normal limitation period for proceedings aimed at applying administrative measures (recovery) or penalties (sanctions)

Article 3(1) of Regulation No 2988/95 provides for a limitation period for proceedings of four years as from the time when the irregularity was committed. European sectoral rules, such as Article 221 of Council Regulation (EEC) No 2913/92 of 12 October 1992⁷ establishing the Community Customs Code, make provision for a shorter period, which may not be less than three years.

Proceedings relating to irregularities are investigations, checks and inspections, or any other legal proceedings undertaken in accordance with national or Community laws, regulations and administrative provisions, to detect irregularities.

The limitation period laid down in Article 3(1) of Regulation No 2988/95 is directly applicable in the Member States, unless national rules provide for longer periods. The national laws, regulations and administrative provisions may differentiate the limitation periods depending on the purpose of the proceedings or the policy sectors. They may also foresee instances for their suspension or interruption beyond what is stated in Regulation No 2988/95. In this context, interruption means circumstances which lead to the limitation period being restarted. Suspension, on the other hand, covers conditions under which the limitation period is brought to a standstill and continues to run from where it stopped. It would also be useful to clarify whether acts that can give rise to interruptions or suspensions must meet specific criteria, such as for example a sufficiently serious allegation of existence of an irregularity or an act of a competent administrative or judicial authority.

⁷ OJ L 97, 18.4.1996, p. 38 For instituting administrative and penal proceedings – within three months of discovery of the offender but not later than two years after the violation was committed.

2.1.1.1. Does your national law provide for a limitation period exceeding the four years laid down in Article 3(1) of Regulation No 2988/95, or the applicable sectoral rules, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures				For EAGF, in particular for procedures				For structural and cohesion funds, in particular for procedures			
	that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties	
BE	10	Article 202 General Law on Customs and Excise of 18 July 1977	-		-		5	Article 8(8) Act of 28 March 1975 on trade in agricultural, horticultural and fisheries products Article 285 Administrative Procedure Code	-		-	
BG	5	Article 212, paragraph 2 Customs Law	-		10	Article 171 Tax and Social Security Procedure Code			5	Article 285 Administrative Procedure Code	5	Article 285 Administrative Procedure Code
	5	Article 110 ff. Law of Obligations and Contracts			5	Regulations on implementing the 2007-2013 Rural Development Program						
CZ	-		-		-		-		6	Act No 552/1991 Coll., on state control Act No 337/1992 Coll., on the administration of taxes and fees Act No 218/2000 Coll., on budgetary rules Act No 320/2001 Coll., on financial control in public administration Act No 500/2004 Coll., rules of administrative	10	Act No 137/2006 Coll. on public procurement
											6	Act No 552/1991 Coll., on state control Act No 337/1992 Coll., on the administration of taxes and fees Act No 218/2000 Coll., on budgetary rules Act No 320/2001 Coll., on financial control in public

2.1.1.1. Does your national law provide for a limitation period exceeding the four years laid down in Article 3(1) of Regulation No 2988/95, or the applicable sectoral rules, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures				For EAGF, in particular for procedures				For structural and cohesion funds, in particular for procedures			
	that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties	
									procedure		administration	
DK	-		-		-		-		-		-	
DE	5	Tax Code §228	-		-		-		-		-	
EE	-		-		10	§ 66 EU CAP Implementation Act § 71 Fisheries Market Organisation Act	10	§ 66 EU CAP Implementation Act § 71 Fisheries Market Organisation Act	5	§26 Structural Assistance Act 2004-06 §26 Structural Assistance Act 2007-13	5	§26 Structural Assistance Act 2004-06 §26 Structural Assistance Act 2007-13
IE	10	Section 1078 Taxes Consolidation Act, 1997	-		6	Statute of Limitations Act 1957 as amended by the Statute of Limitations (Amendment) Act 1991 and the Statute of Limitations (Amendment) Act 2000	6	Statutes of Limitations Acts 1957 to 2000 If recovery is initiated by legal action based on contract or quasi contract	6	Statutes of Limitations Acts 1957 to 2000 If recovery is initiated by legal action based on contract or quasi contract	6	Statutes of Limitations Acts 1957 to 2000 If recovery is initiated by legal action based on contract or quasi contract
EL	-		7	Article 152(4) law 2960/2001 National Customs Code, for administrative fines for smuggling	5	Article 102 law 2362/1995 about the Public Accounting control of the State's expenditure and other regulations	5	Article 102 law 2362/1995 about the Public Accounting control of the State's expenditure and other regulations	5	Article 102 law 2362/1995 about the Public Accounting control of the State's expenditure and other regulations	5	Article 102 law 2362/1995 about the Public Accounting control of the State's expenditure and other regulations
ES	-		-		-		-		-		-	
FR	-		-		-		-		-		-	

2.1.1.1. Does your national law provide for a limitation period exceeding the four years laid down in Article 3(1) of Regulation No 2988/95, or the applicable sectoral rules, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures				For EAGF, in particular for procedures				For structural and cohesion funds, in particular for procedures			
	that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties	
IT	-		-		5	Section 1(2) Act No 20/1994 on the jurisdiction and control of the Court of Auditors	5	Section 28 of Act No 689/1981 on the modification of Italian criminal system	5	Section 1(2) of Act No 20/1994 on the jurisdiction and control of the Court of Auditors	5	Section 28 of Act No 689/1981 on the modification of Italian criminal system
CY	12	Article 39(2) law on the customs code 94(1) of 2004.	-		-		-		-		-	
LV	-		-		-		-		-		-	
LT	-		-		-		-		-		-	
LU	-		-		-		-		-		-	
HU	-		-		5	Article 64 Act XVII of 2007 on certain aspects of the procedure connected to agricultural, rural developmental and fishery aid and other measures Article 150 Act CXL of 2004 on the general rules of	5	Article 64 Act XVII of 2007 on certain aspects of the procedure connected to agricultural, rural developmental and fishery aid and other measures Article 150 Act CXL of 2004 on the general rules of	5	Article 45(2) Government Decree No. 360/2004	5	Article 45(2) Government Decree No. 360/2004

2.1.1.1. Does your national law provide for a limitation period exceeding the four years laid down in Article 3(1) of Regulation No 2988/95, or the applicable sectoral rules, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures				For EAGF, in particular for procedures				For structural and cohesion funds, in particular for procedures			
	that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties	
					administrative proceedings and services		administrative proceedings and services					
MT	6	Article 4(5) of the Import Duties Act (Cap. 337)	6	Article 4(5) of the Import Duties Act (Cap. 337)	-		-		-		-	
NL	5	Article 22e(1) of the General Taxation Act of 2 July 1959 (Bulletin of Acts and Decrees 301), as last amended by Act of 24 February 2005 (Bulletin of Acts and Decrees 115)	-		-		5	Section 4(57) of the General Administrative Law Act	5	Section 4(57) of the General Administrative Law Act	5	Section 4(57) of the General Administrative Law Act
AT	-		10	Section 74(2) Customs Act implementing provisions	10	Section 5(2) Export Refund Act for certain types of financial fraud	10	Section 5(2) Export Refund Act for certain types of financial fraud	-		-	
			5	Section 31(2) of the Austrian Financial Criminal Act (FinStrG)								
PL	5	Article 56 Customs Act of 19 March 2004	5	Article 13(2) Agricultural Markets Agency and Organisation of Certain Markets Act 2004 and Article 70 Tax Ordinance Act of 1997 ⁸	5	Article 13(2) Agricultural Markets Agency and Organisation of Certain Markets Act of 2004 and Article 70 Tax Act of 1997	5	Article 13(2) Agricultural Markets Agency and Organisation of Certain Markets Act of 2004 and Article 70 of the Tax Act of 1997	10	Article 118 Act of 23 April 1964, Civil Code	-	
PT	8	Article 99 Customs Reforms with the wording established by Legislative Decree No 472/1997 on general rules in the field of administrative sanctions for violating fiscal	5	Article 33 (1) General Tax Offences Scheme, applicable under Article 1(1)(b) of said act	-		-		15	Item 20 (points 1 and 2) Order in Council 799-B/2000 (DR No 218, 1st series, of 20/9/2000)	-	
										Article 118(1) Criminal		

⁸ In the case of amounts due relating to proven irregularities, the Tax Ordinance Act of 1997, applies, with the exception of the part of the provisions concerning the writing off of amounts due, the deferment of payments and instalment payments.

2.1.1.1. Does your national law provide for a limitation period exceeding the four years laid down in Article 3(1) of Regulation No 2988/95, or the applicable sectoral rules, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures				For EAGF, in particular for procedures				For structural and cohesion funds, in particular for procedures				
	that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties		
		rules Article 48 of the General Tax Law										Code.	
RO	10	Article 91(3) and (4) of Government Ordinance No 92/2003 on the Fiscal Procedure Code	10	Article 91(1), (3) and (4) of Government Ordinance No 92/2003 on the Fiscal Procedure Code	10	Article 91(3) and (4) of Government Ordinance No 92/2003 on the Fiscal Procedure Code	5	Article 91(1), (3) and (4) of Government Ordinance No 92/2003 on the Fiscal Procedure Code	10	Article 91(3) and (4) of the Government Ordinance No 92/2003 on the Fiscal Procedure Code	10	Article 91(3) and (4) of the Government Ordinance No 92/2003 on the Fiscal Procedure Code	
	5	Article 91(1) of Government Ordinance No 92/2003 on the Fiscal Procedure Code	5	Article 91(1), (3) and (4) of Government Ordinance No 92/2003 on the Fiscal Procedure Code	5	Article 11 ² (1) of Government Ordinance No 79/2003 on the control and recovery of Community funds in conjunction with Article 11(5) of Government Decision No 1306/2007			5	Article 11 ² (1) of Government Ordinance No 79/2003 on the control and recovery of Community funds in conjunction with Article 11(5) of Government Ordinance No 1306/2007	5	Article 11 ² (1) of Government Ordinance No 79/2003 on the control and recovery of Community funds in conjunction with Article 11(5) of Government Ordinance No 1306/2007	
SI	10	Articles 125(1) and 126(4) Tax Procedure Act (ZdavP-2).	-		5	Article 3(g) Agriculture Act – (Zkme).	-		-		-		
	5	Articles 125(1) and 126(4) Tax Procedure Act (ZdavP-2)				Article 263(5) and Article 280(1) General Administrative Procedures Act (ZUP)							
SK	20	Article 60 of Act No. 199/2004, the Customs Act, and amending some other acts as amended	6	Article 76 of Act No. 199/2004 (Customs Act)	-		-		5	Article 31(14) the Public Administration Budgeting Rules Act No. 523/2004	5	Article 31(14) the Public Administration Budgeting Rules Act No. 523/2004	
	10	Article 60 of Act No. 199/2004, the Customs Act, and amending some other acts as amended											

2.1.1.1. Does your national law provide for a limitation period exceeding the four years laid down in Article 3(1) of Regulation No 2988/95, or the applicable sectoral rules, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures				For EAGF, in particular for procedures				For structural and cohesion funds, in particular for procedures			
	that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties		that may lead to administrative measures		that may lead to administrative penalties	
FI	-		-		-		-		10	Section 46(3) of the Act on the Financing of Rural Industries (329/1999).	10	Section 46(3) of the Act on the Financing of Rural Industries (329/1999).
SE	5	Paragraphs 3–4 in the Act (1982:188) relating to the prescription of tax demands, etc.	5	Paragraphs 3–4 in the Act (1982:188) relating to the prescription of tax demands, etc.	-		-		10	Paragraph 27 in the Regulation (2007:14) concerned with the administration of EU structural funds	-	
UK	-		5	Scotland Section 6 Prescription and Limitation (Scotland) Act 1973, as read with Schedule 1	5	Scotland Section 6 Prescription and Limitation (Scotland) Act 1973, as read with Schedule 1	5	Scotland Section 6 Prescription and Limitation (Scotland) Act 1973, as read with Schedule 1	5	Scotland Section 6 Prescription and Limitation (Scotland) Act 1973, as read with Schedule 1	5	Scotland Section 6 Prescription and Limitation (Scotland) Act 1973, as read with Schedule 1

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
BE						

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

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Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
INTERR						
SUSP	Some legal actions (such as appeal for annulment of a decision) suspend the limitation period of public aid. They do not open a new time limit (Article 24 Act of 17 April 1878; Cass. 24 October 1989, Pas. 1990, I, 231).		Some legal actions (such as appeal for annulment of a decision) suspend the limitation period of public aid. They do not open a new time limit (Article 24 Act of 17 April 1878; Cass. 24 October 1989, Pas. 1990, I, 231).		Some legal actions (such as appeal for annulment of a decision) suspend the limitation period of public aid. They do not open a new time limit (Article 24 Act of 17 April 1878; Cass. 24 October 1989, Pas. 1990, I, 231).	
BG						
INTERR			<p>Article 172 Tax and Social Security Procedure Code</p> <p>Issuance of an instrument establishing the public receivable or upon undertaking of coercive enforcement actions.</p> <p>If the instrument is revoked, the limitation is not considered as interrupted.</p>	<p>Article 82, paragraph 2 Administrative Violations and Sanctions Law</p> <p>Each act of duly authorised authorities taken against a penalised individual in respect of the execution of his or her penalty.</p> <p>Following the closure of the act whereby the limitation was interrupted, a new limitation period shall commence.</p>	<p>Article 172 Tax and Social Security Procedure Code</p> <p>Issuance of an instrument establishing the public receivable or upon undertaking of coercive enforcement actions.</p> <p>If the instrument is revoked, the limitation is not considered as interrupted.</p>	<p>Article 43, paragraph 6 Administrative Violations and Sanctions Law</p> <p>Each act of duly authorised authorities taken against a penalised individual in respect of the execution of his or her penalty.</p>
SUSP	<p>Article 34, paragraph 1 and paragraph 2 Tax and Social Security Procedure Code</p> <p>Illness of a person whose participation is indispensable; institution of an administrative, criminal or judicial proceeding,</p>	<p>Article 43, paragraph 6 Administrative Violations and Sanctions Law</p> <p>Where following a thorough search, the offender's whereabouts is unknown, the proceeding is suspended, as well as the limitation</p>	<p>Article 172 Tax and Social Security Procedure Code</p> <p>Initiation of a proceeding for establishment of the public receivable; enforcement of the instrument whereby the claim has been established is brought to</p>	<p>Article 43, paragraph 6 of the Administrative Violations and Sanctions Law</p> <p>Where following a thorough search, the offender's whereabouts is unknown, the proceeding is suspended, as well as the limitation</p>	<p>Article 172 Tax and Social Security Procedure Code</p> <p>Initiation of a proceeding for establishment of the public receivable; enforcement of the instrument whereby the claim has been established is brought to</p>	<p>Article 43, paragraph 6 Administrative Violations and Sanctions Law</p> <p>Where following a thorough search, the offender's whereabouts is unknown, the proceeding is suspended, as well as the limitation</p>

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
	<p>which is of relevance to the outcome of the proceeding; death of a legitimate representative of the person concerned; request submitted by the entity; on a single occasion, for a specified period.</p> <p>Where a reason to believe that a criminal offence relevant to the outcome of the proceeding is established in the course of the proceeding, the proceeding shall be suspended.</p>	<p>period for issuing of penal decree.</p>	<p>standstill; when a rescheduling or deferral of the payment has been authorised; when the instrument whereby the obligation has been established is appealed against; by the imposition of precautionary measures; when a penal proceeding has been instituted and the establishment or collection of the public obligation is contingent on the outcome of the said proceeding.</p>	<p>period for issuing of penal decree.</p>	<p>standstill; when a rescheduling or deferral of the payment has been authorised; when the instrument whereby the obligation has been established is appealed against; by the imposition of precautionary measures; when a penal proceeding has been instituted and the establishment or collection of the public obligation is contingent on the outcome of the said proceeding.</p>	<p>period for issuing of penal decree.</p>
CZ						
INTERR					<p>§70 section 2 Act No. 337/1992 Coll., of tax and fees administration</p> <p>yes, as a result of (due to) a legal barrier limitation period stops to run and after elimination/cancellation of the legal barrier new limitation period starts to run.</p>	<p>§70 section 2 Act No. 337/1992 Coll., of tax and fees administration</p> <p>yes, as a result of (due to) a legal barrier limitation period stops to run and after elimination/cancellation of the legal barrier new limitation period starts to run.</p>
SUSP		<p>Section 20(2) Act No 200/1990 Coll., Customs offences</p> <p>The limitation period does not include the time in which criminal prosecution was held concerning the same offence.</p>			<p>§70 section 3 Act No. 337/1992 Coll., of tax and fees administration</p> <p>yes, limitation period does not run due to a legal barrier and after elimination/cancellation of this legal barrier the run of the same limitation period continues.</p>	<p>§70 section 3 Act No. 337/1992 Coll., of tax and fees administration</p> <p>yes, limitation period does not run due to a legal barrier and after elimination/cancellation of this legal barrier the run of the same limitation period continues.</p>

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
DK						
INTERR						
SUSP						
DE						
INTERR	<p>§231 Tax Code:</p> <p>Establishment of claim in writing, deferment of payment, stay of payment, suspension of enforcement, lodging of security, declaration of insolvency proceedings, inclusion in insolvency scheme or judicially imposed debt-servicing plan, procedure for discharge of remaining debts, procedure for determination of residence or abode.</p>					
SUSP	<p>§230 Tax Code</p> <p>Claim cannot be pursued in event of force majeure within last six months of limitation period.</p>					
EE						
INTERR						

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
SUSP	Article 99 Taxation Act Yes.					
IE						
INTERR						
SUSP						
EL						
INTERR						
SUSP			<p>Article 87 law 2362/1995 about the Public Accounting control of the State's expenditure and other regulations:</p> <p>for a period of time equal to the period of suspension of payment or the facility to pay in instalments granted to the debtor or joint debtor during the last two (2) years of the period of limitation under the law or under a court judgment or notice issued by the relevant authority;</p> <p>for a period of time equal to the period of time during which the government has been prevented from collecting the debt by enforcement due to suspension of enforcement granted under a provision of the law;</p> <p>while the debtor is a minor and for the first two years of adulthood if the estate has no assets, regardless of whether or not the minor has a guardian;</p> <p>the period of limitation of any government claim is extended for two (2) years if the debtor resided abroad for more than one month (not necessarily consecutive) during the last two years of the period of limitation;</p> <p>if anyone contests the legal title in general of the government's claim or the legality of the assessment of it in the narrow sense of the term or the validity for any reason of a collection enforcement deed (administrative enforcement) through the courts, the period of limitation of the government claim for assessment (in the broad sense) or for collecting its assessed claim is suspended pending a final decision by the court on the dispute and cannot under any circumstances end within one year of notification of the final court judgment by the litigants, to be served by bailiff on the head of the relevant government department and</p>			

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
			<p>the Minister of Finance.</p> <p>Article 88 law 2362/1995 about the Public Accounting control of the State's expenditure and other regulations:</p> <p>distress of the debtor's or joint debtor's or guarantor's assets, regardless of whether it is exercised on property in their or a third party's hands; the issue of an auction schedule, regardless of whether it has been notified to the person against whom it has been issued; declaration of proof of bankruptcy either by the debtor or by the natural or legal person who is a joint debtor with him or who is liable for his debts; declaration of bankruptcy results in suspension provided that it is notified either to the registrar of the bankruptcy court or to the meeting of creditors; declaration of auction of assets either of the debtor or of the natural or legal person who is a joint debtor with him or who is liable for his debts; declaration to the executor of an estate or to the receiver of a legal person in liquidation; registration of a mortgage or lien on property belonging to the debtor or to a natural or legal person who is a joint debtor with him or who is liable for his debts.</p>			
ES						
INTERR	<p>Article 68 General Tax Law 58/2003</p> <p>Lodging of complaints or appeals of any kind.</p> <p>Situations beyond the control of the administration: judicial actions or referral of the case to the criminal jurisdiction.</p>	<p>Article 180 General Tax Law 58/2003</p> <p>When the tax administration considers that the infringement may constitute a crime against the public finances and refers the case to the competent jurisdiction or to the Public Prosecution Service. In this case the administrative procedure is suspended until the judicial procedure is concluded (by a final judgment, case not proceeding to judgment or dismissal of the case, or if the file is returned by the Public Prosecution Service).</p>	<p>Articles 39.3 and 55 General Subsidies Law 38/2003</p> <p>Lodging of appeals of any kind, referral of the case to the criminal jurisdiction or filing of a complaint with the Public Prosecution Service, measures taken in relation to these appeals of which the beneficiary or the associated organisation is formally notified, any duly authenticated measure taken by the beneficiary or the associated organisation leading to payment of the grant or of the reimbursement.</p>			
SUSP			<p>Articles 39.3 and 55 General Subsidies Law 38/2003</p> <p>When the conduct may constitute a crime, the administration refers the case to the competent jurisdiction or files a complaint with the Public Prosecution Service and sends it the file. In this case the administration suspends the administrative procedure until the judicial procedure is resolved or until the Public</p>			

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
			Prosecution Service returns the file.			
FR						
INTERR						
SUSP						
IT						
INTERR					-	-
SUSP						
CY						
INTERR						
SUSP						
LV						
INTERR	Section 23(1) Law on Taxes and Fees Initiation of criminal proceedings.					
SUSP			Sections 45 and 80 Law On Administrative Proceedings		Sections 45 and 80 Law On Administrative Proceedings	

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
			Submission contesting an administrative decision.		Submission contesting an administrative decision.	
LT						
INTERR						
SUSP						
LU						
INTERR						
SUSP						
HU						
INTERR						
SUSP			<p>Article 64 Act XVII of 2007 on certain aspects of the procedure regarding agricultural, rural development and fisheries aid and other measures</p> <p>Article 150 Act CXL of 2004 on the general rules of administrative proceedings and services</p> <p>If a decision on the right to apply for aid is examined by a court, the limitation period for the right to recover the aid is suspended from the commencement of action until the ruling enters into force.</p>			

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

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Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
MT						
INTERR						
SUSP						
NL	-					
INTERR						
SUSP						
AT						
INTERR						
SUSP		<p>Section 31(4) Austrian Financial Criminal Act (FinStrG)</p> <p>Time limits for statutory obstacles to prosecution; criminal proceedings; Constitutional Court or Administrative Court proceedings relating to the offence or tax proceedings</p>				
PL						

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

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Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
INTERR	<p>Article 401, Code of Penal Procedure</p> <p>Yes – need for proof, other important reason; up to 35 days. Postponement – more than 35 days.</p>	<p>Article 401, Code of Penal Procedure</p> <p>Yes – need for proof, other important reason; up to 35 days. Postponement – more than 35 days.</p>				
SUSP	<p>Article 22 Code of Penal Procedure</p> <p>Yes – when there is a long-term obstacle (impossibility of collection, illness).</p>	<p>Article 22 Code of Penal Procedure</p> <p>Yes – when there is a long-term obstacle (impossibility of collection, illness).</p>	<p>Article 68 § 5 Tax Act.</p> <p>If settling the case depends on a prior decision of another authority or court on a preliminary issue.</p>			
PT						
INTERR	<p>Article 46 General Tax Law</p> <p>Summons for tax enforcement, claim, appeal to a higher court, contestation, application for official review.</p>	<p>Article 28 General Scheme of Regulatory Offences</p> <p>Carrying out of any checks, especially examinations and searches or applications for assistance from the police or administrative authorities</p> <p>Any statements the defendant has made during exercise of his right to a hearing</p> <p>Interruption of the criminal proceedings in the case of an economic infringement or a crime</p>			<p>Case law of the Supreme Administrative Court, chiefly established by the appeal decisions of the first subsection of the Administrative Council and the Full Bench pronounced on 4.3.2004 and 10.11.2005 in Case 047187</p> <p>Any act by the competent authority designed to initiate an investigation or initiate the respective proceedings and to notify the party in question.</p> <p>Arts. 118, 120 and 121 Criminal Code</p> <p>When the payment order for the</p>	-

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
					balance has been reviewed because a criminal offence is involved, the period in which it may occur is the limitation period for the respective criminal proceedings.	
SUSP	<p>Article 46 General Tax Law</p> <p>Start of the external inspection; judicial litigation resolution of which depends on payment of the tax.</p> <p>Article 49 General Tax Law</p> <p>Payment in legally authorised instalments.</p> <p>Article 169 (6) Legislative Decree 433/1999 (regarding the exceptional nature of suspending the collection and subsequent suspension of the limitation in the case of traditional own resources).</p> <p>Claim, contestation, appeal or objection, when the competent authority decides that collection of the debt should be suspended.</p>	<p>Article 27-A General Scheme of Regulatory Offences</p> <p>No legal authorisation for the procedure to commence or continue; no sentence to be pronounced because the court is not a tax court; return to a non-tax court of the question referred for a preliminary ruling.</p>			-	-
RO						
INTERR	<p>Articles 13 and 16 Decree no.167/1958 concerning the extinguished prescription.</p> <p>Recognising the right whose action is limited, made by the person in whose benefit the limitation runs; submitting a sue or arbitration petition, even if it was submitted to a law court or arbitration body that does not have competence; act for the initiation of the enforcement procedure.</p>					

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
SUSP	<p>Articles 13 and 16 Decree no.167/1958 concerning the extinguished prescription</p> <p>As long as the person against whom the limitation runs is prevented by an instance of force majeure to carry out interruption acts;</p> <p>During the period in which the creditor or the debtor is part of the Romanian Army Forces, and they are at war;</p> <p>Until the settlement of the administrative claim made by the persons entitled, regarding remedies or reimbursements, pursuant to a contract for transportation or for the provision of mail and telecommunications services, but not later than the expiry of a 3 months term, calculated as of the date the claim is registered.</p> <p>Article 92(2) of Government Ordinance No 92/2003 on the Fiscal Procedure Code</p> <p>During the period between the moment when the fiscal investigation starts and the one when the tax enforcement decision is issued as a consequence of the fiscal investigation.</p>		<p>Articles 13 and 16 Decree no.167/1958 concerning the extinguished prescription.</p> <p>As long as the person against whom the limitation runs is prevented by an instance of force majeure to carry out interruption acts;</p> <p>During the period in which the creditor or the debtor is part of the Romanian Army Forces, and they are at war;</p> <p>Until the settlement of the administrative claim made by the persons entitled, regarding remedies or reimbursements, pursuant to a contract for transportation or for the provision of mail and telecommunications services, but not later than the expiry of a 3 months term, calculated as of the date the claim is registered.</p>			
SI						
INTERR						
SUSP	-	<p>Article 2 Minor offences act (ZP-1)</p> <p>If during a minor offence procedure, criminal proceedings in respect of a criminal act akin to a minor offence are initiated against the offender, the minor offence procedure is suspended until the final decision is delivered in the criminal</p>				

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
		proceedings.				
SK						
INTERR	<p>Article 60 Act No. 199/2004, the Customs Act</p> <p>Action is taken to collect or recover the underpayment, a new limitation period begins at the end of the year in which the debtor was notified of this action.</p>	-	-	-		
SUSP					<p>Article 29(2) Act No. 71/1967 on administrative proceedings</p> <p>The provisions of the law allow the administrative body to suspend the procedure for a maximum of 30 days from the day the parties are informed of this decision.</p> <p>Also applied in the case of an action that may lead to the institution of criminal proceedings.</p>	
FI						
INTERR	<p>Section 11(2) Act on the Statute of Limitations</p> <p>When the recovery of a claim is brought up in a court of law or</p>					

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
	enforcement procedure, the limitation period is interrupted for the duration of the procedure					
SUSP	<p>Section 7(3) Act on the Statute of Limitations</p> <p>The limitation period may be suspended when the claim for compensation is connected to a criminal offence. The limitation period shall not apply to a debt due to a criminal offence for as long as the criminal matter can be prosecuted or is pending in a court of law.</p>					
SE						
INTERR					<p>Paragraph 5 Prescription Act (1981:130).</p> <p>The debtor undertaking to make payment, pay interest or acknowledge the demand in another way to the creditor; the debtor receiving a written demands or a reminder of the claim or the creditor taking legal action or citing the claim on the debtor in a Court or corresponding institution.</p>	
SUSP	<p>Paragraph 7 Act (1982:188)</p> <p>The prescription period for the</p>					

2.1.1.2. Does your national law contain instances of interruption and suspension other than any act by the competent authority, notified to the person in question, relating to investigation or legal proceedings concerning the irregularity or other suspension of circumstances specifically provided for in European sectoral rules? (If the tables do not report anything for a given Member State, it is to assume that the only instances of interruption applicable are those provided in Regulation 2988/95 or European sectoral rules).

Please indicate also whether your national law makes a difference between interruption and suspension, and, if so, how. Please explain in particular whether your national law suspends or interrupts limitation periods in the case of an act that could give rise to criminal court proceedings.

Member State	For traditional resources, in particular, customs procedures		For EAGF, in particular for procedures		For structural and cohesion funds, in particular for procedures	
	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties	that may lead to administrative measures	that may lead to administrative penalties
	payment of demands may be extended by a general administrative Court after application by the authority concerned.					
UK						
INTERR						
SUSP						

2.1.2 “Absolute” limitation period for proceedings

Article 3(1), 4th subparagraph, of Regulation No 2988/95 provides for the limitation to become effective at the latest on the day on which a period equal to twice the limitation period expires without the competent authority having imposed a penalty, except where the administrative procedure has been suspended by decision of the competent authority because criminal proceedings have been initiated against the person concerned in connection with the same facts. This period of twice four years is referred to as the “absolute” limitation period.

National laws, regulations and administrative provisions providing for a longer period than in Article 3(1) of Regulation No 2988/95 may also alter this “absolute” limitation period or regulate it differently.

2.1.2. Does your national law provide for a period exceeding the twice four years “absolute” limitation period laid down in Article 3(1), 4th subparagraph, of Regulation No 2988/95, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

2.1.2. Does your national law provide for a period exceeding the twice four years “absolute” limitation period laid down in Article 3(1), 4th subparagraph, of Regulation No 2988/95, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures				For EAGF, in particular for procedures				For structural and cohesion funds, in particular for procedures			
	that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)		that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)		that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	
BE	-		-		-		-		-		-	
BG	10	Article 171, paragraph 2 Tax and Social Security Procedure Code	-		10	Article 171, paragraph 2 Tax and Social Security Procedure Code for public receivables	-		10	Article 171, paragraph 2 Tax and Social Security Procedure Code for public receivables	-	
CZ					10	Section 11a Act No 256/2000 Coll. on the State Agricultural Intervention Fund (SAIF)	10	Section 11a Act No 256/2000 Coll. on the State Agricultural Intervention Fund (SAIF)	20	Act No 552/1991 Coll., on state control Act No 337/1992 Coll., on the administration of taxes and fees Act No 218/2000 Coll., on budgetary rules Act No 320/2001 Coll., on financial control in public administration	20	Act No 552/1991 Coll., on state control Act No 337/1992 Coll., on the administration of taxes and fees Act No 218/2000 Coll., on budgetary rules Act No 320/2001 Coll., on financial control in public administration

2.1.2. Does your national law provide for a period exceeding the twice four years “absolute” limitation period laid down in Article 3(1), 4th subparagraph, of Regulation No 2988/95, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

										Act No 500/2004 Coll., rules of administrative procedure		Act No 500/2004 Coll., rules of administrative procedure
DK	-		-		-		-		-		-	
DE	-		-		-		-		-		-	
EE	-		-		10	§ 66 EU CAP Implementation Act	10	§ 66 EU CAP Implementation Act	-		-	
						§ 71 Fisheries Market Organisation Act		§ 71 Fisheries Market Organisation Act				
IE	-		-		-		-		-		-	
EL	-		-		-		-		-		-	
ES	-		-		-		-		-		-	
FR	-		-		-		-		-		-	
IT	-		-		-		-		-		-	
CY	-		-		-		-		-		-	
LV	-		-		-		-		-		-	
LT	-		-		-		-		-		-	
LU	-		-		-		-		-		-	
HU	10	Article 150(3) Act CXL of 2004 on the general rules	10	Article 150(3) Act CXL of 2004 on the general rules	-		-		-		-	

2.1.2. Does your national law provide for a period exceeding the twice four years "absolute" limitation period laid down in Article 3(1), 4th subparagraph, of Regulation No 2988/95, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

		of administrative proceedings and services		of administrative proceedings and services								
MT	-		-		-		-		-		-	
NL	-		-		-		-		-		-	
AT	-		10	Section 31(5) Austrian Financial Criminal Act (FinStrG) in the case of administrative financial fraud proceedings	-		-		-		-	
PL	-		-		-		-		-		-	
PT	-		-		-		-		-		-	
RO	-		-		-		-		-		-	
SI	10	Articles 125 to 126 Tax Procedure Act (ZdavP-2)	-		-		-		-		-	
SK	20	Article 60 Act No. 199/2004, the Customs Act	-		-		-		-		-	
FI	10	Section 7(2) Act on the Statute of Limitations The Act on the Statute of Limitations does not apply when recovery is performed according to the Act 706/2007 on the Collection of Taxes and Charges (VeroTPL) Applicable "absolute" limitation period: ten years (applies to recovery)	10	Section 7(2) Act on the Statute of Limitations The Act on the Statute of Limitations does not apply when recovery is performed according to the Act 706/2007 on the Collection of Taxes and Charges (VeroTPL) Applicable "absolute" limitation period: ten years (applies to recovery)	-		-		10	Section 46(3) Act on the Financing of Rural Industries (329/1999)	10	Sections 46(3) and 50. Act on the Financing of Rural Industries (329/1999)

2.1.2. Does your national law provide for a period exceeding the <u>twice four years</u> “absolute” limitation period laid down in Article 3(1), 4th subparagraph, of Regulation No 2988/95, and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).												
SE	-		-		10	Paragraph 43 Regulation (1999:1148) with respect to EC Regulations concerning Agricultural Products and Chapter 1(18) Regulation (2004:760)	10	Paragraph 43 Regulation (1999:1148) with respect to EC Regulations concerning Agricultural Products and Chapter 1(18) Regulation (2004:760)	10	Paragraph 27 Regulation (2007:14) concerned with the administration of EU structural funds	-	
UK	-		-		-		-		-		-	

2.2. Limitation period for implementing the decision establishing the administrative penalty (sanction)

The limitation period of three years set out in Article 3(2) of Regulation No 2988/95 for implementing the decision establishing the administrative penalty concerns the enforcement of penalties (Article 5 of Regulation No 2988/95), possibly decided upon after the end of proceedings relating to irregularities. To make it easier to understand the different national systems taking advantage of the freedom given to Member States under Article 3(3) of Regulation No 2988/95, it is also important to have an overview of when this enforcement limitation period starts to run and of how national law, applicable explicitly by reference, governs instances of interruption and suspension.

2.2.1. Does your national law provide for a period exceeding the <u>three years</u> laid down in Article 3(2) of Regulation No 2988/95 and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).						
Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)		For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)		For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	
BE	-		-		-	
BG	-		5	Article 285 Administrative Procedure Code Article 34 Paragraph 2 Administrative Violations and Sanctions Law	5	Article 285 Administrative Procedure Code
CZ	6	Section 70(1) Act No 337/1992 Coll., on the administration of taxes and fees	10	Section 11a Act No 256/2000 Coll. on the State Agricultural Intervention Fund (SAIF)	6	§70 Sections 1 and 2 Act No 337/1992 Coll., on the administration of taxes and fees.

2.2.1. Does your national law provide for a period exceeding the three years laid down in Article 3(2) of Regulation No 2988/95 and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)		For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)		For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	
DK	-		-		-	
DE	5	§34(1) Administrative Penalties Act in case of fines of over €1000	-		-	
EE	-		-		-	
IE	12	Section 11(6) Statute of Limitations Act 1957	12	Section 11(6) Statute of Limitations Act 1957	12	Section 11(6) Statute of Limitations Act 1957
EL	-		-		-	
ES	4	Articles 66 et seq. and 189 and 190 General Tax Law 58/2003	4	Article 65.2 General Subsidies Law 38/2003 Article 15 General Budget Law 47/2003 Article 132.3 Law 30/1992 on the Legal Framework of Public Administrations and the Common Administrative Procedure	4	Article 65.2 General Subsidies Law Article 15 General Budget Law 47/2003 Article 132.3 Law 30/1992 on the Legal Framework of Public Administrations and the Common Administrative Procedure
FR	-		-		-	
IT	5	Section 20(3) Legislative Decree No 472/97 on general rules in the field of administrative sanctions for violating fiscal rules	5	Section 28 Act No 689/1981 on the modification of Italian criminal system.	5	Section 28 Act No 689/1981 on the modification of Italian criminal system
CY	-		-		-	
LV	-		-		-	
LT	5	Article 107(1) and (5) Lithuanian Law on Tax Administration	5	Article 107(1) and (5) Lithuanian Law on Tax Administration	5	Article 107(1) and (5) Lithuanian Law on Tax Administration
LU	-		-		-	

2.2.1. Does your national law provide for a period exceeding the three years laid down in Article 3(2) of Regulation No 2988/95 and, if so, for how long? (If the tables do not report anything for a given Member State, it is to assume that Regulation 2988/95 or Sectoral Rules apply or that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)		For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)		For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	
HU	-		5	Article 150 Act CXL of 2004 on the general rules of administrative proceedings and services	-	
MT	-		-		-	
NL	-		-		5	Section 4(57) of the General Administrative Law Act
AT	-		5	Section 32(1) Austrian Financial Criminal Act (FinStrG). Export refunds: Customs law applies	-	
PL	-		-		-	
PT	5	Article 34 General System of Tax Infringement	-		-	
RO	5	Article 131(1) and (2) Government Ordinance No 92/2003 on the Fiscal Procedure Code.; if related to fiscal obligations and fines	5	Article 11 ² (3) Government Ordinance No 79/2003 on the control and recovery of Community funds; if related to fiscal obligations	5	Article 11 ² (3) Government Ordinance No 79/2003 on the control and recovery of Community funds; if related to fiscal obligations
SI	5	Minor Offences Act (ZP-1)	-		-	
SK	-		-		-	
FI	5	Section 20 Act 706/2007 on the Collection of Taxes and Charges (VeroTPL)	-		10	Section 29 Act on Discretionary Government Transfers for the Development of Business (1336/2006)
SE	5	Paragraphs 3-8 Act (1982:188) relating to the prescription of tax demands, etc.	-		-	
UK	-		-		-	

2.2.2. Does your national law specify a time from which the limitation period starts to operate other than the day on which the decision becomes final and, if so, when? (If the tables do not report anything for a given Member State, it is to assume that the limitation period starts to operate the day on which the decision becomes final).

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
BE			
BG	<p>Article 171 Tax and Social Security Procedure Code</p> <p>Public receivables shall be extinguished upon expiry of a 5-year limitation period, as from 1 January of the year following the year during which the public obligation became payable unless a law makes provision for a shorter period.</p>		
CZ	<p>Section 70(1) Act No 337/1992 Coll., on the administration of taxes and fees</p> <p>Right to recover an unpaid balance will lapse six years after the year in which this unpaid balance has fallen due.</p>		
DK			
DE			
EE			
IE			
EL	<p>Articles 150(4) and 152(7) Law 2960/2001 National Customs Code</p> <p>Once the administrative decision imposing a fine has been served and no appeal has been filed before the administrative courts (within 60 or 90 days of service), the decision is immediately enforceable. If an appeal is filed (after 60 or 90 days from service), 30% of the fine is payable immediately.</p> <p>Article 66 Law 2717/99 Administrative Procedure Code</p>		
ES	<p>Articles 66 et seq. General Tax Law 58/2003</p>		

2.2.2. Does your national law specify a time from which the limitation period starts to operate other than the day on which the decision becomes final and, if so, when? (If the tables do not report anything for a given Member State, it is to assume that the limitation period starts to operate the day on which the decision becomes final).

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
	From the day following the date on which the voluntary payment period expires, except in cases of joint and several or secondary liability.		
FR			
IT			
CY			
LV			
LT			
LU			
HU			
MT			
NL			
AT			
PL			
PT			
RO	Article 131(1) and (2) Government Ordinance No92/2003 on the Fiscal Procedure Code		

2.2.2. Does your national law specify a time from which the limitation period starts to operate other than the day on which the decision becomes final and, if so, when? (If the tables do not report anything for a given Member State, it is to assume that the limitation period starts to operate the day on which the decision becomes final).

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
	In the case of fiscal obligations and fines, as of 1 January of the year following the year when the writ of execution is issued.		
SI			
SK	<p>Article 88(1) Act No. 372/1990, on infringements with reference to Article 71(2) Act No. 199/2004, the Customs Act</p> <p>From the expiry of the deadline stated in the decision to impose the fine</p>		<p>Article 71(3) Act No. 71/1967, on administrative proceedings</p> <p>The three-year period covering the enforcement of a decision starts on expiry of the period for fulfilling the obligation imposed (i.e. the expiry of the period is related to the executability of the decision issued in administrative procedures)</p>
FI	<p>Section 20 Act 706/2007 on the Collection of Taxes and Charges (VeroTPL)</p> <p>Within the scope of application of the Act 706/2007 on the Collection of Taxes and Charges (VeroTPL). (see above) from the beginning of the year following the year of imposing or debiting the penalty.</p>		<p>Section 29 Act on Discretionary Government Transfers for the Development of Business (1336/2006)</p> <p>From the payment of the final instalment / termination of the period of use for the acquisition.</p>
SE	<p>Paragraph 3 Act (1982:188) relating to the prescription of tax demands, etc.</p> <p>The day on which the demand is considered due for payment, with certain exceptions</p>	<p>Paragraph 43 Regulation (1999:1148) with respect to EC Regulations concerning Agricultural Products and Chapter 1(18) of the regulation (2004:760) concerned with EC direct support for farmers, etc.</p> <p>The day on which the faulty amount was paid out.</p>	
UK	-		<p>UK limitation periods generally do not start to run until the claimant's cause of action is established, e.g. by sending a demand for repayment. So long as the demand is within the time limits specified in the relevant scheme, the UK will have its national limitation period in which to start court proceedings.</p>

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.			
Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
BE			
INTERR			
SUSP			
BG			
INTERR	<p>Article 82 Administrative Violations and Sanctions Law</p> <p>Each act of duly authorised authorities taken against a penalised individual in respect of the execution of his or her penalty.</p> <p>Article 172, par. 2 Tax and Social Security Procedure Code</p> <p>The limitation shall be terminated with the issue of the act for establishment of the public taking or with the undertaking of actions of enforcement. If the act for establishing shall be repealed, the limitation shall be considered terminated.</p>		
SUSP	<p>Article 172, par. 1 Tax and Social Security Procedure Code</p> <p>The limitation shall be stopped when proceedings for establishment of the public taking have begun, when the execution of the act, by which the taking has been established, has been stopped, when has been given a permission for rescheduling or postponing of the payment, when the act, by which the obligation has been determined, has been appealed, by imposing of securing measures, when penal proceedings have been instituted, on the decision on which depends the establishment or the collection of the public taking.</p>		
CZ			
INTERR	<p>Section 70(2) Act No 337/1992 Coll., on the administration of taxes and fees</p> <p>Limitation periods are interrupted in case of an act to collect, seize or enforce an unpaid balance.</p>	<p>Article 64 of Act No 500/2004 Coll. Administrative Act</p> <p>In case of drawback of written form, in case of preliminary question, when applicant don't pay a charge.</p>	<p>§70 section 2 Act No. 337/1992 Coll., of tax and fees administration</p> <p>As a result of (due to) a legal barrier limitation period stops to run and after cancellation of the legal barrier new limitation period starts to run.</p>
SUSP		<p>Article 66 of Act No 500/2004 Coll. Administrative Act</p>	<p>§70 section 3 Act No. 337/1992 Coll., of tax and fees administration</p> <p>Due to legal barrier limitation period does not run and in case of</p>

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
		In case of retraction, non-execution of conditions of interruption etc.	elimination/cancellation of legal barrier limitation period continues to run again from the point where it stopped.
DK			
INTERR			
SUSP			
DE			
INTERR	<p>§34(4) Administrative Penalties Act</p> <p>Enforcement has not begun or could not be continued; enforcement has been suspended or a payment facility has been granted</p>		
SUSP			
EE			
INTERR			
SUSP			
IE			
INTERR			
SUSP			
EL			
INTERR			

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
SUSP	<p>Article 150(4) law 2960/2001 National Customs Code</p> <p>If someone files an appeal against the administrative decision imposing a fine, 70% of the fine is suspended. Also, if someone files an application for suspension which is admitted by the administrative court, the entire amount assessed may be suspended.</p> <p>Articles 200-205 Law 2717/99 Administrative Procedure Code</p>		
ES			
INTERR	<p>Article 190 General Tax Law 58/2003</p> <p>A measure effectively taken by the tax administration in order to collect a penalty, and of which the taxpayer is formally notified. Lodging of complaints or appeals of any kind and measures taken in relation to them of which the taxpayer is formally notified. Application for insolvency proceedings for debtor. Enforcement of civil or criminal actions taken in order to collect the tax debt. Receipt of notification from judicial body ordering suspension of administrative proceeding. Any duly authenticated action taken by the taxpayer in order to pay or cancel the tax debt.</p>	<p>Article 132.3 Law 30/1992 on the Legal Framework of Public Administrations and the Common Administrative Procedure</p> <p>Opening of enforcement proceeding, with notification of the party concerned. The time period starts to run again if it is suspended for more than a month for reasons not attributable to the offender.</p>	
SUSP			
FR			
INTERR			
SUSP			
IT			
INTERR	<p>Section 20(3) Legislative Decree No 472/97 on general rules in the field of administrative sanctions for violating fiscal rules</p> <p>The period of limitation is interrupted by any appeal against a ruling and</p>	<p>Section 28 Act No 689/1981 on the modification of Italian criminal system</p> <p>Service of document initiating proceedings which may be enforceable; application filed in the course of proceedings; formal notice to pay served on the debtor</p>	

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
	does not run until the proceedings have been completed.		
SUSP			
CY			
INTERR			
SUSP			
LV			
INTERR	<p>Section 26(8) Law on Taxes and Fees</p> <p>Deadline for payment of the relevant taxes is extended, deferred or staggered – until the end of the deadline period. Where payment is staggered, the limitation period shall start again after the last payment deadline;</p> <p>Decision taken as the result of controls (checks, audits) performed by the tax administration, a tax calculation or a decision on the recovery of overdue tax payments is contested – for the period of time during which a submission is examined prior to court proceedings;</p> <p>Appeal is lodged against the activities of bailiffs – for the period of time during which the complaint is being reviewed;</p> <p>Debtor is deceased or the legal person has ceased to exist and the legal relationship established by the court allows for the transfer of rights – until the person assigned the debtor's rights has been determined;</p> <p>Debtor has lost his capacity to act – until the appointment of a trustee;</p> <p>Court decision has been taken on suspending the execution of the relevant tax administration decision – until the relevant court decision has been set aside or for the period of time indicated in the court decision;</p>		

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
	<p>Insolvency proceedings have been initiated against a taxpayer – until the insolvency proceedings have concluded;</p> <p>Decision on the winding-up of a taxpayer has been taken and recorded – until winding-up proceedings have been concluded;</p> <p>Decision has been submitted for execution to a bailiff and a tax administration official, who in accordance with law are granted the rights of a bailiff – until the decision is enforced or until an act is issued declaring recovery to be impossible.</p>		
SUSP			
LT			
INTERR			
SUSP	<p>Article 108 Lithuanian Law on Tax Administration.</p> <p>Where a tax credit agreement has been concluded; where other laws or legal enactments (for instance a bailiff's order) provide for the suspension of enforced recovery of payment arrears.</p>		
LU			
INTERR			
SUSP			
HU			
INTERR		<p>Article 64 Act XVII of 2007 on certain aspects of the procedure regarding agricultural, rural development and fisheries aid and other measures,</p> <p>Article 150 Act CXL of 2004 on the general rules of administrative proceedings and services</p>	

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
		Any enforcement action.	
SUSP		<p>Article 64 Act XVII of 2007 on certain aspects of the procedure regarding agricultural, rural development and fisheries aid and other measures,</p> <p>Article 150 Act CXL of 2004 on the general rules of administrative proceedings and services</p> <p>If a decision on the right to apply for aid is examined by a court, the limitation period for the right to recover the aid is suspended from the commencement of action until the ruling enters into force.</p> <p>During the period of suspension of enforcement, enforcement actions, payment facilities allowed in the enforcement proceeding, and mortgage registration.</p>	
MT			
INTERR			
SUSP			
NL			
INTERR	<p>Section 4.4.3.2 of the General Administrative Law Act</p> <p>The expiry of a legal claim is interrupted by bringing criminal proceedings (before the civil courts) or through recognition of the creditor's rights.</p>		
SUSP			
AT			
INTERR	Section 32(3) Austrian Financial Criminal Act (FinStrG)	Export refunds: Customs law applies	

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.			
Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
	Enforcement of prison sentence		
SUSP	Section 32(3) Austrian Financial Criminal Act (FinStrG) Probationary periods under conditional release; postponement of sentence/payment; detention by government order; period abroad.		
PL			
INTERR		Article 47(3) of the Agricultural Land and Sugar Payments Act of 27 January 2007 Yes: implementing the first enforcement proceedings	
SUSP	Article 56 Enforcement Proceedings in Administration Act of 1966 Withholding implementation, death, loss of capacity to enter into legal transactions.		
PT			
INTERR	Article 30-A General Scheme of Regulatory Offences (for cases of interruption to the limitation of the penalty). Commencement of tax enforcement of the penalty (enforced payment).		
SUSP	Article 30 General Scheme of Regulatory Offences (for cases in which the limitation of the penalty is suspended) Legal impossibility of the tax enforcement of the penalty commencing or continuing (bankruptcy proceedings, judicial action on pledged assets and receipt of opposition to the tax enforcement); granting of payment facilities		
RO			
INTERR	Articles 132 and 133 Government Ordinance No 92/2003 on the Fiscal Procedure Code		

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
	<p>In addition to Article 13 and Article 16 of Decree no.167/1958 concerning the extinguished prescription.</p> <p>(Recognising the right whose action is limited, made by the person in whose benefit the limitation runs; submitting a sue or arbitration petition, even if it was submitted to a law court or arbitration body that does not have competence; act for the initiation of the enforcement procedure)</p> <p>When the debtor, before or during the initiation of the forced execution procedure, makes a voluntary payment of the obligation provided for in the writ of execution or when the debtor recognizes the debt in any other manner; when, during the forced execution procedure, a forced execution act is concluded.</p>		
SUSP	<p>Articles 132 and 133 of Government Ordinance No 92/2003 on the Fiscal Procedure Code</p> <p>In addition to Article 13 and Article 16 of Decree no.167/1958 concerning the extinguished prescription</p> <p>(As long as the person against whom the limitation runs is prevented by an instance of force majeure to carry out interruption acts; during the period in which the creditor or the debtor is part of the Romanian Army Forces, and they are at war; until the settlement of the administrative claim made by the persons entitled, regarding remedies or reimbursements, pursuant to a contract for transportation or for the provision of mail and telecommunications services, but not later than the expiry of a 3 months term, calculated as of the date the claim is registered)</p> <p>During the validity period of the facility granted according to the law; as long as the debtor removes his incomes and goods from forced execution.</p>		
SI			
INTERR	<p>Article 126 (2) Tax Procedure Act (ZDavP-2)</p> <p>In cases where the sanction is not legally enforceable; if the body responsible for enforcing the sanction takes any action with a view to enforcing the sanction; any official action taken by the tax authority for the purposes of enforcement of which the debtor is informed.</p>		
SUSP	<p>Article 153 General Administrative Procedures Act (ZUP)</p> <p>If the other party dies; if the other party loses its legal capacity, but has no authorised representative for the proceedings and no temporary representative is appointed; if the legal representative dies or loses legal capacity, but the party concerned has no authorised representative and no temporary representative is appointed; if a declaration of bankruptcy has had legal implications for the party concerned; if a body decides that it cannot resolve a preliminary question or that it cannot resolve it according to the law.</p>		
SK			
INTERR			
SUSP			

2.2.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative penalty? Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.			
Member State	For traditional resources, in particular, customs procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative penalties (as per Article 5 of Regulation No 2988/95)
FI			
INTERR			
SUSP			
SE			
INTERR			
SUSP			
UK			
INTERR			
SUSP			

2.3. Limitation period for implementing the decision establishing an administrative measure (recovery)

European law does not provide for a limitation period for the enforcement of the decision establishing the administrative measure⁹. This period is of particular importance for the success of recovery procedures and may depend on reference to civil law.

⁹ Administrative measures are measures which have as a result the withdrawal of the advantage obtained plus, where so provided for, interest (Article 4 of Regulation No 2988/95).

2.3.1. What limitation period does your national law provide for implementing the decision establishing an administrative measure? (If the tables do not report anything for a given Member State, it is to assume that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For EAGF, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For structural and cohesion funds, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	
BE	10	81bis VAT Code	-		-	
BG	5	Article 285 Administrative Procedure Code	5	Article 285 Administrative Procedure Code	5	Article 285 Administrative Procedure Code
CZ	-		10	Act No 256/2000 Coll. on the State Agricultural Intervention Fund (SAIF)	6	§70 Section 1 Act No 337/1992 Coll., on the administration of taxes and fees;
DK	3	§ 3 and § 28 Limitation of Claims Act No 522 of 2007	3	§ 3 and § 28 Limitation of Claims Act No 522 of 2007	3	§ 3 and § 28 Limitation of Claims Act No 522 of 2007
DE	5	§ 228 paragraph 2 Tax Code	-		-	
EE	7	§132 Taxation Act	-		-	
IE	-		6	Statutes of Limitations Acts 1957 to 2000	6	Statutes of Limitations Acts 1957 to 2000
EL	-		-		-	
ES	4	General Tax Law 58/2003	4	Article 65.2 General Subsidies Law 38/2003 Article 15 General Budget Law 47/2003 of 26-11 Article 132.2 Law 30/1992 on the Legal Framework of Public Administrations and the Common Administrative Procedure	4	Article 65.2 General Subsidies Law 38/2003 Article 15 General Budget Law 47/2003 of 26-11 Article 132.2 Law 30/1992 on the Legal Framework of Public Administrations and the Common Administrative Procedure
FR	4	Article 355 (3) of the Customs Code	-		-	

2.3.1. What limitation period does your national law provide for implementing the decision establishing an administrative measure? (If the tables do not report anything for a given Member State, it is to assume that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For EAGF, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For structural and cohesion funds, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	
IT	-		10	Section 1(174) Act No 266/2005 Section 76 Royal Decree No 1214/1943 Consolidated Court of Auditors Act	10	Section 1(174) Act No 266/2005 Section 76 Royal Decree No 1214/1943 Consolidated Court of Auditors Act
CY	-		-		-	
LV	3	Section 26(8) Law on Taxes and Fees	3	Section 360(4) Law On Administrative Proceedings.	3	Section 360(4) Law On Administrative Proceedings
LT	5	Article 107(1) and (5) Lithuanian Law on Tax Administration	5	Article 107(1) and (5) Lithuanian Law on Tax Administration	5	Article 107(1) and (5) Lithuanian Law on Tax Administration
LU	-		-		-	
HU	-		5	Article 150 Act CXL of 2004 on the general rules of administrative proceedings and services	-	
MT	-		-		-	
NL	5	Section 27 of the Act of 30 May 1990 on the recovery of state taxes (1990 Recovery Act)	5	Section 4.4.3. of the General Administrative Law.	-	
AT	-		-		-	
PL	5	Article 65(7) Customs Act of 2004	5	Article 70 §1 of the Tax Act of 29 August 1997 Article 47(1) of the Agricultural Land and Sugar Payments Act of 27 January 2007	10	Articles 118, 125 § 1 of the Act of 23 April 1964, Civil Code Article 125 § 1 of the Act of 23 April 1964, Civil Code
PT	8	Article 48(1) General Tax Law	5/20	Articles 309 and 310 Civil Code. The limitation periods stipulated by civil law apply (of between 5 and 20 years)	20	Articles 309 and 310 Civil Code. The limitation periods stipulated by civil law apply (of between 5 and 20 years) Appeal Decisions of the 2nd Section of the STA pronounced in

2.3.1. What limitation period does your national law provide for implementing the decision establishing an administrative measure? (If the tables do not report anything for a given Member State, it is to assume that the national law does not foresee any limitation period).

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For EAGF, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For structural and cohesion funds, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	
						proceedings 727/02, 153/03, 325/03, 369/05 and 462/06, of 6.11.2002, 4.6.2003, 25.06.2003, 29.6.05 and 5.7.2006, and the appeal decisions pronounced by the Tax Dispute Section of the Central Administrative Court and the Southern Central Administrative Court, in proceedings 5698/01, 6756/02, 7536/02 and 104/03 on 30.10.2001, 6.7.2004, 26.10.2004 and 15.6.2005.
RO	5	Article 131(1) Government Ordinance No 92/2003 on the Fiscal Procedure Code	5	Article 11 ² (3) Government Ordinance No 79/2003 on the control and recovery of Community funds	5	Article 11 ² (3) Government Ordinance No 79/2003 on the control and recovery of Community funds
SI	5	Articles 125 and 126 Tax Procedure Act (ZDavP-2)	5	Articles 125 and 126 Tax Procedure Act (ZDavP-2)	-	
SK	3	Article 71(3) Act No. 71/1967, on administrative proceedings	3	Article 71(3) Act No. 71/1967, on administrative proceedings	3	Article 71(3) Act No. 71/1967, on administrative proceedings
FI	5	Section 13(2) Act on the Statute of Limitations, section 20 of the Act 706/2007 on the Collection of Taxes and Charges (VeroTPL)	5	Section 20 Act 706/2007 on the Collection of Taxes and Charges (VeroTPL)	5	Section 20 Act 706/2007 on the Collection of Taxes and Charges (VeroTPL)
					10	Section 28 Act on Discretionary Government Transfers (688/2001).

2.3.1. What limitation period does your national law provide for implementing the decision establishing an administrative measure? (If the tables do not report anything for a given Member State, it is to assume that the national law does not foresee any limitation period).					
Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For EAGF, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For structural and cohesion funds, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)
SE	5	Paragraphs 3-4 Act (1982:188) relating to the prescription of tax demands, etc.	10	Paragraph 43 Regulation (1999:1148) with respect to EC Regulations concerning Agricultural Products and Chapter 1(18) Regulation (2004:760) concerned with direct support to farmers, etc.	10 Paragraph 2 Prescription Act (1981:130)
UK	-		-		6 and 5 The limitation period in UK law relating to civil proceedings for recovering money under a contract (applicable in this case) is 6 years but in Scotland, it is 5 years.

2.3.2. When does the limitation period for implementing the decision establishing an administrative measure start to run?			
Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)		For structural and cohesion funds, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)
BE			
BG	<p>Article 171 Tax and Social Security Procedure Code</p> <p>As from 1 January of the year following the year during which the public obligation became payable unless a law makes provision for a shorter period .</p>		

2.3.2. When does the limitation period for implementing the decision establishing an administrative measure start to run?

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)
CZ		Act No 99/1963 Coll, on Civic Court Rule in 15 days from date of legal force of decision	
DK	§ 2(1) and (2) and § 28 Limitation of Claims Act No 522 of 2007 From the time when the original claim arose.		
DE	§ 229 paragraph 1 Tax Code From the end of the calendar year in which claim first fell due. However, it does not start before the end of the calendar year in which the establishment of a claim from the tax debt relationship became effective from which the claim arises.		
EE	§132 Taxation Act 1 January of the year following the year in which the decision was taken.		
IE	Date on which debt is established	Statutes of Limitations Acts 1957 to 2000 Date of the decision	Statutes of Limitations Acts 1957 to 2000 Date of the decision
EL	Article 66 Law 2717/99 Administrative Procedure Code Following service of the decision on the administrative measure.	Article 10(7) Law 2690/99 Code of Administrative Procedure, in conjunction with article 241 of the Civil Code From the day after proven service on the debtor of the decision imposing the administrative measure.	Joint ministerial decision 907/052/2003 This deadline commences on the date of assessment of the debt by the relevant tax office with registration of the relevant amount (cf. provisions of legislative decree 356/1974 Public Revenue Collection Code, and presidential decree 16/1989 Rules of procedure for tax departments and local offices and duties of their officers.
ES		Article 15 General Budget Law 47/2003 From the date of notification.	
FR			

2.3.2. When does the limitation period for implementing the decision establishing an administrative measure start to run?

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)
IT			
CY			
LV			
LT	<p>Article 107(2) Lithuanian Law on Tax Administration</p> <p>From the date on which the right to enforced recovery of a payment arises.</p>		
LU			
HU			
MT			
NL	<p>Section 27 of the Act of 30 May 1990 on the recovery of national taxes (1990 Recovery Act)</p> <p>Since the beginning of the day following that on which the tax assessment in its entirety falls due or, if this is at a later date, five years after the beginning of the day after that on which the last prosecuting document concerning the tax assessment was served to the tax debtor.</p>		
AT			
PL	<p>Article 65(7) Customs Act of 2004</p> <p>From the day of entering the amount due.</p>	<p>Article 70 §1 Tax Act of 1997</p> <p>From the end of the calendar year in which the tax payment date expired.</p>	<p>Article 120 § 1 and § 2, Act of 23 April 1964, Civil Code</p> <p>From the day that the claim becomes mature. If the claim maturity depends on the taking up of a given measure by the authorised party, the course of the deadline commences from the day on which the claim would have been mature, had the authorised taken measures at the earliest possible time.</p>

2.3.2. When does the limitation period for implementing the decision establishing an administrative measure start to run?

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	For EAGF, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)	For structural and cohesion funds, in particular for procedures that may lead to administrative measures (as per Article 4 of Regulation No 2988/95)
PT	Article 48(1) General Tax Law Date on which the chargeable event occurred.	Article 305 Civil Code, in conjunction with Article 132 Administrative Procedural Code. Date on which the decision is notified to the party.	
RO	Article 131(1) Government Ordinance No 92/2003 on the Fiscal Procedure Code 1 January of the year following the year when the writ of execution is issued .		
SI	Article 125 Tax Procedure Act (ZDavP-2) Date when the duty was due for payment.		
SK	Articles 52 and 71 Act No. 71/1967, on administrative proceedings The three-year period covering the enforcement of a decision starts on expiry of the period for fulfilling the obligation imposed (i.e. the expiry of the period is related to the executability of the decision issued in administrative procedures)		
FI	Section 20 Act 706/2007 on the Collection of Taxes and Charges (VeroTPL) In recovery proceedings, from the beginning of the year following the year of making the decision.		Section 20 Act 706/2007 on the Collection of Taxes and Charges (VeroTPL) In recovery proceedings, from the beginning of the year following the year of making the decision. Section 28 Act on Discretionary Government Transfers (688/2001) From the payment of the discretionary government transfer or the final instalment or from the termination of the period of use for the property in the financing decision.
SE		Paragraph 43 Regulation (1999:1148) with respect to EC Regulations concerning Agricultural Products and Chapter 1(18) Regulation (2004:760) concerned with direct support to farmers, etc The day when the faulty amount was paid out.	Paragraph 2 Prescription Act (1981:130) compared with paragraphs 26–27 Regulation (2007:14) concerned with the administration of EC structural funds. When the demand occurred, i.e. on the occasion of the time when the decision to annul a decision about wrongly paid out support gained legal force, this implying a repayment obligation.
UK			As soon as the debt/irregularity is identified.

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?			
Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.			
Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
BE			
INTERR			
SUSP			
BG			
INTERR	<p>Article 172, par. 2 Tax and Social Security Procedure Code</p> <p>The prescription shall be terminated with the issue of the act for establishment of the public taking or with the undertaking of actions of enforcement. If the act for establishing shall be repealed, the prescription shall be considered terminated.</p> <p>Article 82 Administrative Violations and Sanctions Law</p> <p>(2) The legal prescription shall begin from the enforcement of the act by which the sanction has been imposed and shall be stopped by any act of the respective bodies, undertaken regarding the punished person for incurring the sanction.</p> <p>Upon conclusion of the act which stops the legal prescription a new legal prescription shall begin.</p>		
SUSP	<p>Article 172, par. 1 Tax and Social Security Procedure Code</p> <p>The prescription shall be stopped when proceedings for establishment of the public taking have begun, when the execution of the act, by which the taking has been established, has been stopped, when has been given a permission for rescheduling or postponing of the payment, when the act, by which has been determined the obligation, has been appealed, by imposing of securing measures, when penal proceedings have been instituted, on the decision of which depends the establishment or the collection of the public taking.</p>		
CZ			
INTERR		<p>Article 64 of Act No 500/2004 Coll. Administrative Act</p> <p>In case of drawback of written form, in case of preliminary question, when</p>	<p>§70 section 2 Act No. 337/1992 Coll., of tax and fees administration</p> <p>As a result of (due to) a legal barrier limitation period stops to run and after</p>

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?			
Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.			
Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
		applicant don't pay a charge.	cancellation of the legal barrier new limitation period starts to run.
SUSP		<p>Article 66 of Act No 500/2004 Coll. Administrative Act</p> <p>In case of retraction, non-execution of conditions of interruption etc.</p>	<p>§70 section 3 Act No. 337/1992 Coll., of tax and fees administration</p> <p>Due to legal barrier limitation period does not run and in case of elimination/cancellation of legal barrier limitation period continues to run again from the point where it stopped.</p>
DK			
INTERR	<p>§§ 20 to 22 Limitation of Claims Act No 522 of 2007</p> <p>"Temporary" interruption is characterised by the fact that , when the "temporary measure" takes place before the limitation period expires, a period of one year is allowed after the measure ends so that "real" interruption - typically in the event of legal proceedings – can take place before this additional period expires.</p>		
SUSP	<p>§§3(2) and 3 No 3 Limitation of Claims Act No 522 of 2007</p> <p>Where the claim or debtor is unknown, the 3-year limitation period is suspended until the time when the claimant became or should have become aware of this.</p> <p>An absolute limitation period of 10 years applies in connection with suspension. The "absolute" nature of the 10-year limitation period means that the limitation period runs even if the claimant is innocently unaware of its claim. The absolute limitation period can never be suspended.</p> <p>§ 14 Limitation of Claims Act No 522 of 2007</p> <p>Furthermore, the Limitations Act lays down an additional 1-year period for claimants in cases where on grounds of various types of obstacles the claimant has been prevented from interrupting the limitation.</p> <p>These are cases where the claimant has been prevented from interrupting the limitation owing to ignorance of the debtor's whereabouts or by obstacles unconnected with the circumstances of the person concerned.</p>		
DE			
INTERR	<p>§232 Tax Code</p> <p>Establishment of claim in writing. Deferment of payment. Stay of payment. Suspension of enforcement. Lodging of security. Declaration of insolvency proceedings. Inclusion in insolvency scheme or judicially imposed debt-servicing plan. Procedure for discharge of remaining debts.</p>		

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?

Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
	Procedure for determination of residence or abode.		
SUSP	<p>§230 Tax Code</p> <p>Claim cannot be pursued in event of force majeure within last six months of limitation period.</p>		
EE			
INTERR	<p>§132 Taxation Act</p> <p>Yes</p>		
SUSP			
IE			
INTERR			
SUSP			
EL			
INTERR			
SUSP			
ES			
INTERR		Article 65.2 General Subsidies Law 38/2003	

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?

Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
		<p>Article 132 Law 30/1992 on the Legal Framework of Public Administrations and the Common Administrative Procedure</p> <p>Any action taken by the administration of which formal notification is given to the beneficiary or associated organisation and which gives rise to one of the grounds for repayment.</p> <p>Lodging of appeals of any kind, referral of the case to the criminal jurisdiction or filing of a complaint with the Public Prosecution Service, and measures taken in relation to these appeals of which the beneficiary or the associated organisation is formally notified.</p> <p>Any duly authenticated measure taken by the beneficiary or the associated organisation leading to payment of the grant or of the reimbursement.</p>	
SUSP	-	-	-
FR			
INTERR			
SUSP			
IT			
INTERR			
SUSP			
CY			
INTERR			
SUSP			
LV			
INTERR			

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?

Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
SUSP	<p>Section 26(8) Law On Taxes and Fees</p> <p>Decision taken as the result of controls (checks, audits) performed by the tax administration, a tax calculation or a decision on the recovery of overdue tax payments is contested – for the period of time in which a submission is examined prior to court proceedings;</p> <p>Deadline for payment of the relevant taxes has been extended, deferred or staggered – with respect to the amount of tax whose deadline for payment has been extended or with respect to a deferred tax payment;</p> <p>Judgment declaring a taxpayer to be insolvent has entered into force. The taxpayer who has been declared insolvent shall make all regular tax payments in accordance with laws pertaining to the relevant taxes.</p> <p>Decision taken as the result of controls (checks, audits) performed by the tax administration, a tax calculation or a decision on the recovery of overdue tax payments is contested – for the period of time during which a submission is examined prior to court proceedings.</p> <p>Appeal is lodged against the activities of bailiffs – for the period of time during which the complaint is being reviewed;</p> <p>Debtor is deceased or the legal person has ceased to exist and the legal relationship established by the court allows for the transfer of rights – until the person assigned the debtor's rights has been determined;</p> <p>Debtor has lost his capacity to act – until the appointment of a trustee;</p> <p>Court decision has been taken suspending the execution of the relevant tax administration decision – until the relevant court decision has been set aside or for the period of time indicated in the court decision;</p> <p>Insolvency proceedings have been initiated against a taxpayer – until the insolvency proceedings have concluded;</p> <p>Decision on the winding-up of a taxpayer has been taken and recorded – until winding-up proceedings have been concluded;</p>	<p>Sections 45 and 46 Law On Administrative Proceedings</p> <p>If court proceedings in a particular matter or the enforcement of an administrative decision unfavourable to the addressee are suspended; where following the serving of an enforcement document recovery has not been effected in full and the document has been returned to the enforcer of the debt, a new deadline for submission of the document shall run from the day when the document is returned to the enforcer of the debt.</p>	

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?

Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
	Decision has been submitted for enforcement to a bailiff and a tax administration official, who in accordance with law are granted the rights of a bailiff – until the decision is enforced or until a document is issued declaring recovery to be impossible.		
LT			
INTERR			
SUSP	<p>Article 108 Lithuanian Law on Tax Administration</p> <p>Where a tax credit agreement has been concluded; where other laws or legal enactments (for instance a bailiff's order) provide for the suspension of enforced recovery of payment arrears.</p>		
LU			
INTERR			
SUSP			
HU			
INTERR		<p>Article 64 Act XVII of 2007 on certain aspects of the procedure regarding agricultural, rural development and fisheries aid and other measures</p> <p>Article 150 Act CXL of 2004 on the general rules of administrative proceedings and services</p> <p>Any enforcement action.</p>	
SUSP		<p>Article 64 Act XVII of 2007 on certain aspects of the procedure regarding agricultural, rural development and fisheries aid and other measures</p> <p>Article 150 Act CXL of 2004 on the general rules of administrative</p>	

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?

Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
		<p>proceedings and services</p> <p>If a decision on the right to apply for aid is examined by a court, the limitation period for the right to recover the aid is suspended from the commencement of action until the ruling enters into force.</p> <p>During the period of suspension of enforcement, enforcement actions, payment facilities allowed in the enforcement proceeding, and mortgage registration.</p>	
MT			
INTERR			
SUSP			
NL			
INTERR	<p>Section 27 of the Act of 30 May 1990 on the recovery of national tax (1990 Recovery Act)</p> <p>The limitation period is interrupted only by the service of an enforcement document to the tax debtor. This includes any service to the tax debtor of a document for prosecution purposes, such as an enforcement order, a repeated order to make payment or a writ of attachment, irrespective of whether the prosecution measure in question brings any results.</p>	<p>Section 4.4.3.2 of the General Administrative Law Act</p> <p>The lapsing of a legal claim is interrupted by bringing a legal action (before the civil courts) or through recognition of the creditor's rights.</p>	
SUSP	<p>Section 27 of the Act of 30 May 1990 on the recovery of national tax (1990 Recovery Act)</p> <p>Suspension of the limitation period on the basis of section 27(2)(a) of the applicable law takes place only on the grounds of a formally granted stay of payment, granted on request or <i>ex officio</i>. Unilateral cancellation of recovery, for whatever reason, does not have the effect of suspension.</p>		
AT			

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?

Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
INTERR			
SUSP			
PL			
INTERR	<p>Article 65(8) Customs Act of 2004</p> <p>Application of the enforcement measure, of which the debtor was informed.</p>	<p>Article 70 § (2), (3) and (6)(2) and (3) Tax Act of 1997</p> <p>By announcing bankruptcy (after interrupting the course of expiry of the limitation period it starts running again from the day after the decision to cease bankruptcy proceedings becomes final).</p> <p>Article 70 § (4) Tax Act of 1997 in connection with Article 1a (12)(a) Enforcement Proceedings in Administration Act of 1966</p> <p>By applying the enforcement measure, of which the debtor was informed.</p>	
SUSP	<p>Article 65(10) Customs Act of 2004</p> <p>Start of penal proceedings relating to treasury crime or treasury offence, lodging complaints to the administrative court.</p>	<p>Article 70 § (2), (3) and (6)(2) and (3) Tax Act of 1997</p> <p>Deferment of the payment deadline of obligations or dividing the payment into instalments (basis: Article 70 § 2(1), Tax Act),</p> <p>Taking a complaint to the administrative court (basis: Article 70 § 6(2), Tax Act),</p> <p>Lodging a demand that a civilian court establish the existence or non-existence of a legal relation (basis: Article 70 § 6(3), Tax Act).</p> <p>Article 97 § 1(4) in connection with Article 103 Code on Administrative Procedure</p> <p>The start of proceedings relating to tax crime or tax offence, if the suspicion of a crime or offence being committed is connected with the failure to carry out this obligation; lodging a complaint at the administrative court against the decision relating to this obligation; lodging a demand that a civilian court establish the existence or non-existence of a legal relation or in suspending proceedings, when the issue of a decision depends on settling the initial matter by a different authority or court. Suspension of proceedings halts the course of</p>	

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?

Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.

Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
		deadlines provided for by the Code. Suspension is until the day that the court decision becomes binding or the day on which the decision of a different authority becomes final.	
PT			
INTERR	<p>Article 49 General Tax Law</p> <p>Summons of the judgment debtor; claim; appeal to a higher court; contestation; application for official review of settlement.</p>		<p>Articles 50(1), 112 to 117, 128 Procedural Code of the Administrative Courts</p> <p>Any act which expresses the intention to exercise the credit claim against the recipient interrupts the limitation of the debt, e.g. claim for refund after the payment order for the final balance has been reviewed or, if so desired, summons to file opposition under tax proceedings.</p> <p>Through recognition of the right before the holder by the party against which the right may be exercised.</p> <p>The request for payment in instalments, as it involves acknowledgement of the debt.</p>
SUSP	<p>Article 49 General Tax Law</p> <p>Payment in legally authorised instalments.</p> <p>As long as there is no definitive or final decision, in cases of claims, contestations, appeals or objections, when the competent authority decides that collection of the debt should be suspended.</p>		<p>Articles 50(1) 112 to 117, 128, Procedural Code of the Administrative Courts (CPTA).</p> <p>Notification given to the administrative authority of the submission of an application for suspension of the administrative act, filed under a protective order, prevents it from commencing or continuing enforcement.</p> <p>The posting of a bond when the case involves only payment of an uncontested amount.</p> <p>The granting of the protective order filed for this purpose or the suspension of the effects of the decision as a result of posting of a bond therefore suspends recovery, until the final decision has been delivered in the main proceeding.</p>
RO			

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?			
Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.			
Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
INTERR	<p>Articles 132 and 133 Government Ordinance No 92/2003 on the Fiscal Procedure Code</p> <p>In addition to Article 13 and Article 16 of Decree no.167/1958 concerning the extinguished prescription.</p> <p>(Recognising the right whose action is limited, made by the person in whose benefit the limitation runs; submitting a sue or arbitration petition, even if it was submitted to a law court or arbitration body that does not have competence; act for the initiation of the enforcement procedure.)</p> <p>When the debtor, before or during the initiation of the forced execution procedure, makes a voluntary payment of the obligation provided for in the writ of execution or when the debtor recognizes the debt in any other manner; when, during the forced execution procedure, a forced execution act is concluded.</p>		
SUSP	<p>Articles 132 and 133 Government Ordinance No 92/2003 on the Fiscal Procedure Code</p> <p>For fiscal debts:</p> <p>In addition to Article 13 and Article 16 of Decree no.167/1958 concerning the extinguished prescription</p> <p>(As long as the person against whom the limitation runs is prevented by an instance of force majeure to carry out interruption acts; during the period in which the creditor or the debtor is part of the Romanian Army Forces, and they are at war; until the settlement of the administrative claim made by the persons entitled, regarding remedies or reimbursements, pursuant to a contract for transportation or for the provision of mail and telecommunications services, but not later than the expiry of a 3 months term, calculated as of the date the claim is registered)</p> <p>During the validity period of the facility granted according to the law; as long as the debtor removes his incomes and goods from forced execution.</p>		
SI			
INTERR	<p>Article 126(2) Tax Procedure Act (ZDavP-2)</p> <p>In cases where the sanction is not legally enforceable. If the body responsible for enforcing the sanction takes any action with a view to enforcing the sanction. Any official action taken by the tax authority for the purposes of enforcement of which the debtor is informed.</p>		
SUSP	<p>Article 153 General Administrative Procedures Act (ZUP)</p> <p>If the other party dies; if the other party loses its legal capacity, but has no authorised representative for the proceedings and no temporary representative is appointed; if the legal representative dies or loses legal capacity, but the party concerned has no authorised representative and no temporary representative is appointed; if a declaration of bankruptcy has had legal implications for the party concerned; if a body decides that it cannot</p>		

2.3.3. What instances of interruption and suspension are contained in your national law with regard to the limitation period for implementing the decision establishing the administrative measure?			
Please indicate also whether your national law makes a difference between interruption and suspension and, if so, how.			
Member State	For traditional resources, in particular, customs procedures that may lead to administrative measures	For EAGF, in particular for procedures that may lead to administrative measures	For structural and cohesion funds, in particular for procedures that may lead to administrative measures
	resolve a preliminary question or that it cannot resolve it according to the law.		
SK			
INTERR			
SUSP			
FI			
INTERR			
SUSP			
SE			
INTERR			Paragraph 5 Prescription Act (1981:130) The prescription is interrupted by the debtor undertaking to pay, paying interest or acknowledging the demand in another way to the creditor, the creditor receiving a written demand or a reminder of the demand, the creditor taking legal action or citing the claim on the debtor in a Court or corresponding institution.
SUSP			
UK			
INTERR			
SUSP			

3. MANAGEMENT VERIFICATIONS IN RESPECT OF THE EUROPEAN REGIONAL DEVELOPMENT FUND¹⁰

The Court of Auditors has so far given only a partially positive statement of assurance on payments from the European Union's budget, pointing out that the main problem lies in the area where Member States are primarily responsible for ensuring financial control of EU expenditure.

Better knowledge of the nature of irregularities, their causes and the measures Member States take on detection could contribute towards obtaining a positive statement of assurance. Therefore, this second specific part of the questionnaire is designed to gather information covering this field.

To limit the extent of the questionnaire, it focuses only on the area of Structural funds and, within this area, on the European Regional Development Fund (ERDF). The Commission already has information on second-level checks (e.g. through the annual reports required by Article 13 of Regulation 438/2001), and therefore the questions in this section are confined only to the management verifications (so called "first-level checks") in the area of ERDF i.e. the management verifications under Article 4 of Regulation (EC) No 438/2001.

Article 4 requires Member States' management and control systems to include procedures to verify the delivery of the products and services co-financed and the reality of expenditure claimed and to ensure compliance with the terms of the relevant Commission Decision (under Article 28 of Regulation (EC) No 1260/1999¹¹) and with applicable national and Community rules on, in particular, the eligibility of expenditure, public procurement, State aid, protection of the environment and equality of opportunity. These management verifications are the normal day-to-day controls made by management within an organisation to ensure that the processes for which it is responsible are being properly carried out. Such controls carried out systematically and effectively are the main procedure for preventing and detecting irregularities before certification of expenditure to the Commission. The results can be used as a basis for the risk analysis performed by the audit services that carry out second level controls on the national management and control systems.

Member States are asked to describe their management and control systems as they were set up at the end of 2007. When it comes to the reporting about statistical data, the questionnaire is limited only to the year 2005, as the Member States should by now have all the necessary data pertaining to that year. Bulgaria and Romania which at that time were not yet the beneficiaries of ERDF are asked to answer all the questions in this section, which do not require numerical data and in this way describe the present situation in the field concerned.

¹⁰ This information coming from Member States has not been cross-checked with data available in the Commission's Directorate-General for Regional Policy at the date of publication of the present Report.

¹¹ OJ L 161, 26.6.1999, p. 1–42

3.1. Guidelines for management verifications

The Commission (Directorate-General for Regional Policy) sent the Member States guidelines on the application of Article 4 of Commission Regulation (EC) No 438/2001 (doc. of 3 June 2006 entitled “Working document concerning good practice in relation to management verifications to be carried out by Member States on projects co-financed by the Structural Funds and the Cohesion Fund”). Have these guidelines been sent to all the managing authorities (to be understood as covering also intermediate bodies where the task of management verifications has been entrusted to one or more intermediate bodies) of all programmes in your Member State? If so, were they sent in their original form or did you use them to draw up or update national guidelines? Please provide a list of the managing authorities for each category.

3.1. Guidelines for management verifications			
Member State	Commission guidelines sent to managing authorities in their original form	Guidelines sent to managing authorities in the form of national guidelines drawn up or updated on the basis of the Commission guidelines	Guidelines not sent to managing authorities (or no information in the answer to the questionnaire)
BE	Flemish Region	Walloon Region	German speaking Community (No information concerning Brussels-Capital Region).
CZ	Ministry for Regional Development (but not sent to entities in charge of grant schemes).	Operational Programme of Rural Development and Multifunctional Agriculture. In some cases also Ministry for Regional Development.	
DK	Agency for Enterprise and Construction MA.		(No information concerning other MA).
DE	X		
EE	X (Ministry of Finance). Guidelines available at		

3.1. Guidelines for management verifications

Member State	Commission guidelines sent to managing authorities in their original form	Guidelines sent to managing authorities in the form of national guidelines drawn up or updated on the basis of the Commission guidelines	Guidelines not sent to managing authorities (or no information in the answer to the questionnaire)
	www.sturktuurifondid.ee		
IE	X	X ¹²	
EL	X (some MAs)	X ¹³ (other MAs)	
ES	X (all MAs)	X (all MAs)	
FR	X ¹⁴		
IT	Ministry for Economic Development, MA NOP Technical support and system actions; Ministry for Infrastructure, MAs for Transport and Urban II; Trento SF department, MA of Valle d'Aosta.		Ministry for Economic Development, Directorate-General for the Coordination of Incentives for Companies. Abruzzo MAs; Veneto MAs. (No information concerning other MAs).
CY	Planning bureau (MA)	Ministry of the interior (IB)	
LV	X		
LT		X ¹⁵	

¹² Series of Checklists developed in early 2007 designed to ensure consistency and provide guidance and to improve documentation of Article 4 checks. Checklists sent to all Managing Authorities

¹³ Revised guidelines for audits by managing authorities under Art. [4] Reg. 438/2001, ref. no. 4574/EYS570/ 31.01.2007, amending and supplementing guidelines for audits by managing authorities under Art. 4 Reg. 438/2001, ref. no. 13985/EYS 2856/ 14.04.2005. Notified to all managing authorities of operational programmes under the 3rd CSF.

¹⁴ Additionally, very precise national instructions have been sent to all the managing authorities without exception on the application of Article 4 of Regulation (EC) No 438/2001 in respect of all French regional and national programmes.

¹⁵ The procedure for carrying out on-the-spot checks pursuant Article 4 of Commission Regulation (EC) No 438/2001 is laid down in the Administrative and Financial Rules governing measures contained in Lithuania's 2004–2006 single programming document and projects financed under these measures, approved under Minister of Finance Order No 1K-033 of 28 January 2004 (Official Gazette 2004, No

3.1. Guidelines for management verifications

Member State	Commission guidelines sent to managing authorities in their original form	Guidelines sent to managing authorities in the form of national guidelines drawn up or updated on the basis of the Commission guidelines	Guidelines not sent to managing authorities (or no information in the answer to the questionnaire)
LU	X	X	No information.
HU	The guidelines are published in their original form on the homepage http://www2.pm.gov.hu/web/home.nsf/portalarticles/5406CAEA6DE651BFC12571BE0034301C?OpenDocument		
MT	X	X	
NL	X (all MAs)	X (All MAs)	
AT	X (all MAs)	X ¹⁶	
PL		IROP, IZ IROP ¹⁷ .	
PT			PONORTE, POLVT, PRODESA, POATQA and PICURBANI PORT. No information concerning other MAs.
RO		X	
SI	X	X ¹⁸	
SK	MA Productive Sector OP and MA Competitiveness and Economic Growth OP.	Intermediate bodies Competitiveness and Economic Growth OP.	Ministry of Construction and Regional development: sent its own guidelines

19-599; 2005, No 21-667The Handbook on the Managing Authority's Working Procedures has been amended.

¹⁶ Working documents are made available to all managing authorities in the ÖROK (Austrian Regional Planning Conference) working party.

¹⁷ The updated document "IZ IROP Guidelines on on-the-spot Monitoring/Check Visits Issued Pursuant to Article 4 of Commission Regulation 438/2001" took into account EC guidelines.

¹⁸ On the basis of the guidelines, the Managing Authority's Instructions for Structural Fund Management and Control Systems were updated in March 2007 and sent to all ministries acting as intermediate bodies.

3.1. Guidelines for management verifications

Member State	Commission guidelines sent to managing authorities in their original form	Guidelines sent to managing authorities in the form of national guidelines drawn up or updated on the basis of the Commission guidelines	Guidelines not sent to managing authorities (or no information in the answer to the questionnaire)
			(guidelines 2004 and 2005).
FI		X	
SE	X		
UK	England ¹⁹	Wales, Northern Ireland ²⁰	Scotland ²¹

¹⁹ Guidelines sent to Government offices in their original form as part of, and an updated, national guidance GN2.6 of November 2006.

²⁰ Northern Ireland: Guidelines have not been sent in their original form, they had to be amended to reflect local requirements. Guidance Note on requirements and procedures for completing Article 4 checks – with detailed checklists - has been sent.

²¹ As a monitoring authority (MA), the Scottish Government developed own guidelines (no information on the date of the document, nor the content).

3.2. Actual conduct of verifications under Article 4 of Commission Regulation (EC) No 438/2001 and the authorities conducting them

3.2.1. Article 4 verifications are essentially the responsibility of the managing authority,²² which has the possibility of delegating tasks to intermediate bodies.²³ Under certain conditions some or all aspects of the verifications may also be outsourced to external firms.

Article 4 verifications comprise two key components, namely desk-based checks and on-the-spot checks.

3.2.1.1. As regards desk-based checks, please indicate whether all documents relating to projects and expenditure claims are always subject to in-depth desk-based checks at the various stages of project implementation.²⁴

3.2.1.1. a) Verification of expenditure claims during project implementation														
Member State	In-depth desk-based checks of all projects during project implementation (Yes/No)	Subject matter of checks											Percentage of expenditure for 2005 covered	
		Expenditure related to the eligible period	Expenditure related to an approved project/compliance	Compliance with programme conditions	Eligibility	Delivery of products/ services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules		Publicity rules
BE	Yes ²⁵				GSC ²⁶ FDE ²⁷ BC ²⁸	GSC BC	BC	GSC		GS C	GS C	BC	BC	100%
CZ	Yes (except Ministry of Agricult		MT ²⁹	ME ³⁰	ME MT MIT ³¹	MIT MRD (Inter reg)		ME MT					MT MI T	13.84% (MA) 95-100%

²² For the definition of managing authorities, see Article 9 (n) of Council Regulation (EC) No 1260/1999.

²³ Intermediate bodies are all public or private bodies or services acting under the responsibility of managing (or paying) authorities or performing tasks on their behalf in relation to final beneficiaries or the bodies or firms carrying out actual operations.

²⁴ In-depth desk-based checks would include examination of the claim itself and the relevant supporting documentation, such as invoices, delivery notes, bank statements, engineers' certificates, progress reports and timesheets. It would include, as a minimum, a list and description of the invoices which support the claim, and details of contracts awarded.

²⁵ Except a Flemish Institute for the Promotion of Scientific and Technical Research in Industry (IWT).

²⁶ German speaking Community..

²⁷ Federal Department for the Economy.

²⁸ Brussels-Capital Region.

3.2.1.1. a) Verification of expenditure claims during project implementation

Member State	In-depth desk-based checks of all projects during project implementation (Yes/No)	Subject matter of checks											Percentage of expenditure for 2005 covered	
		Expenditure related to the eligible period	Expenditure related to an approved project/compliance	Compliance with programme conditions	Eligibility	Delivery of products/services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules		Publicity rules
	ure).				MRD ³²									(other ministries)
DK ³³	No			X						X				-
DE ³⁴	Yes													100%
EE	Yes	X	X	X	X			X	X	X	X	X	X	100%
IE	Yes				X		X							100%
EL	Yes	X			X	X		X						100%
ES	Yes				X				X	X	X	X	X	-
FR	Yes				X	X		X				X	X	-
IT	Yes				X			X						100% (most bodies) 50% (Piedmont) 14% (Basilicata)
CY	Yes				X			X	X	X	X	X	X	100%
LV	Yes	X	X		X			X		X	X	X	X	100%
LT	Yes	X	X	X	X	X	X	X	X	X	X	X	X	100%
LU	Yes				X		X							100%

²⁹ Ministry of Transport.

³⁰ Ministry of Environment.

³¹ Ministry of Industry and Trade.

³² Ministry of Regional Development.

³³ For Denmark, information is available only for Objective 2 programmes.

³⁴ Only three Land ministries supplied the data for this table. Germany indicated that « all statutory provisions are scrutinised », but did not give detailed information on subjects matter of checks.

3.2.1.1. a) Verification of expenditure claims during project implementation

Member State	In-depth desk-based checks of all projects during project implementation (Yes/No)	Subject matter of checks											Percentage of expenditure for 2005 covered	
		Expenditure related to the eligible period	Expenditure related to an approved project/compliance	Compliance with programme conditions	Eligibility	Delivery of products/services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules		Publicity rules
HU	Yes ³⁵													100%
MT	Yes				X		X					X		100%
NL	Yes	X	X	X	X	X		X	X	X	X	X	X	100% ³⁶
AT	Yes				X				X	X	X	X		100%
PL	Yes	IROP	IROP SOP ECG	IROP	IROP OP- TA ³⁷ SOP ECG	IROP	IR OP SO P EC G	IROP	IR OP SO PT SO PT	IR OP SO PT	IR OP SO PT	IR OP SO PT	IR OP	100% (except SOPT 3.29%)
PT	Yes		X		X							X	X	100% (most MAs) 20%, 52% and 74.85% (3 MAs)
RO	Yes	X	X	X	X	X	X	X	X	X	X	X	X	-
SI	Yes				X				X	X	X	X	X	-
SK	Yes	X	X		X		X	X	X	X	X	X		94- 100% (except: 3.62% PSOP, 1%)

³⁵ Hungary indicated that the check is « complete », but did not give detailed information on subjects matter of checks.

³⁶ Except Municipality of Maastricht and Ministry of Internal affairs.

³⁷ OP Technical assistance.

3.2.1.1. a) Verification of expenditure claims during project implementation

Member State	In-depth desk-based checks of all projects during project implementation (Yes/No)	Subject matter of checks											Percentage of expenditure for 2005 covered	
		Expenditure related to the eligible period	Expenditure related to an approved project/compliance	Compliance with programme conditions	Eligibility	Delivery of products/services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules		Publicity rules
														Interreg)
FI	Yes ³⁸	X	X		X	X	X	X		X	X	X		100%
SE	Yes ³⁹													100%
UK	<p>Yes: England (E)⁴⁰, Northern Ireland (NI)⁴¹</p> <p>No: Wales (W)⁴², Scotland⁴³.</p>		W		E, NI			E, NI				NI		100% (E, NI)

³⁸ Finnish authorities also verify that the expenditure is reasonable and necessary for the implementation of the project, the compliance with employment law, VAT expenditures.

³⁹ No indication of subject matter of checks.

⁴⁰ Transactional checklist of invoices and progress report are made with each claim, and eligibility of invoices.

⁴¹ Eligibility invoices, procurement, payroll and bank statements.

⁴² All claims are checked for accuracy, compliance with approved expenditure categories/activity, progress against monitoring targets and special conditions of grants.

⁴³ In Scotland, sampling is used as basis for checks which covers all aspects of the expenditure.

3.2.1.1. b) Verification of expenditure claims at the closure of the project

Member State	In-depth desk-based checks of all projects during project implementation (Yes/No)	Subject matter of checks											Percentage of expenditure for 2005 covered	
		Expenditure related to the eligible period	Expenditure related to an approved project/Compliance	Compliance with programme conditions	Eligibility	Delivery of products/ services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules		Publicity rules
BE	Yes				GSC FDE BC	GSC BC	BC	GSC		GS C BC	GSC BC	BC	BC	-
CZ	Yes (except MT)				MF ⁴⁴ MIT MRD	ME MIT MRD (Inter reg)						MI T		5% (MIT) 35% (ME) 100% (ME, MRD)
DK	Yes	X	X	X	X		X	X	X	X	X	X	X	-
DE ⁴⁵	Yes													100%
EE	Yes	X	X	X	X		X	X	X	X	X	X	X	100%
IE	Yes				X		X	X					X	100%
EL	Yes	X			X	X		X						100%
ES	Not applicable													-
FR	Yes				X	X		X				X	X	-
IT	Yes				X	X		X				X	X	100% (most bodies) 14% (Basilicata)

⁴⁴

Ministry of Finance.

⁴⁵

Only three Land ministries supplied the data for this table. Germany indicated that « all statutory provisions are scrutinised », but did not give detailed information on subjects matter of checks.

3.2.1.1. b) Verification of expenditure claims at the closure of the project

Member State	In-depth desk-based checks of all projects during project implementation (Yes/No)	Subject matter of checks											Percentage of expenditure for 2005 covered	
		Expenditure related to the eligible period	Expenditure related to an approved project/Compliance	Compliance with programme conditions	Eligibility	Delivery of products/ services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules		Publicity rules
CY	Yes				X			X	X	X	X	X	X	100%
LV	Yes	X	X		X	X		X		X	X	X	X	100%
LT	Yes	X	X	X	X	X	X	X	X	X	X	X	X	100%
LU	Not applicable ⁴⁶													
HU ⁴⁷	Yes													100%
MT	Not applicable ⁴⁸													-
NL	Yes	X	X	X	X	X		X	X	X	X	X	X	100%
AT	Yes				X				X	X	X	X		100%
PL	Yes ⁴⁹	IROP	IROP SOP-ECG	IR OP	IROP OP- TA ⁵⁰ SOP- ECG	IROP	IR OP	IROP	IR OP	IR OP	IROP	IR OP	IR OP	100%
PT	Yes		X		X							X	X	100% (most

⁴⁶ All projects are verified 100% during the process of implementation. No control takes place at the closure of the project.

⁴⁷ Hungary indicated that the check is « complete », but did not give detailed information on subjects matter of checks.

⁴⁸ No project was finalised in 2005 for Malta.

⁴⁹ As an exception, two managing authorities state that the expenses are verified in the course of the projects. The final report verifies the conformity of the project's results compared to the objectives stipulated in the candidacy.

⁵⁰ OP Technical assistance.

3.2.1.1. b) Verification of expenditure claims at the closure of the project

Member State	In-depth desk-based checks of all projects during project implementation (Yes/No)	Subject matter of checks											Percentage of expenditure for 2005 covered	
		Expenditure related to the eligible period	Expenditure related to an approved project/Compliance	Compliance with programme conditions	Eligibility	Delivery of products/services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules		Publicity rules
														MAs) 20%, 52% and 74.85% (3 MAs)
RO	Yes	X	X	X	X	X	X	X	X	X	X	X	X	-
SI	Yes				X									-
SK	Yes	X	X		X	X	X	X	X	X	X	X		94-100% (except: 0.64% MA SOP, 0% Interreg)
FI ⁵¹	Yes	X	X		X	X	X	X	X	X	X	X	X	100%
SE ⁵²	Yes													100%
UK	Yes (England (E) ⁵³ , Northern Ireland (NI) ⁵⁴) No (Wales,		E											100% (E, NI)

⁵¹ Finnish authorities also verify that the monitoring information is correct, the project has attained its objectives and the on-the-spot verification has been appropriately performed and documented.

⁵² No indication of subject matter of checks.

⁵³ In England, independent audit certificate is required under a threshold. If below the threshold, the final claim is checked by GO to ensure compliance with the grant offer.

⁵⁴ In compliance with agreed Closure guidance and checklist (the answer to the questionnaire did not contain information on subject matter of checks).

3.2.1.1. b) Verification of expenditure claims at the closure of the project		
Member State	Subject matter of checks	
Scotland ^{d(55)} .		In-depth desk-based checks of all projects during project implementation (Yes/No)
		Expenditure related to the eligible period
		Expenditure related to an approved project/Compliance
		Compliance with programme conditions
		Eligibility
		Delivery of products/ services co-financed
		Accounting checks
		Adequacy of supporting documents
		State aid rules
		Environmental rules
		Equal opportunity requirements
		Public procurement rules
		Publicity rules
		Percentage of expenditure for 2005 covered

55

In Scotland, sampling is used as basis for checks which covers all aspects of the expenditure.

3.2.1.2. a) As regards on-the-spot checks, please provide the total number of checks carried out at the various stages of project implementation and specify which authorities carried them out.

Member State	Verification during project implementation				Verification on closure of the project			
	No. of on-the-spot checks by managing authority	No. of on-the-spot checks by intermediate body	No. of on-the-spot checks by outsourcing	Percentage of expenditure for 2005 covered	No. of on-the-spot checks by managing authority	No. of on-the-spot checks by intermediate body	No. of on-the-spot checks by outsourcing	Percentage of expenditure for 2005 covered
BE	395 ⁵⁶	0	2	3.14% (GC)	368	6	0	-
CZ	49	1802	37	100% (MT) 97% (MIT) 7% (MA)	88	635	0	5% (MIT) 100% (MA)
DK	0	0	0	0	0	0	All projects	100%
DE	⁵⁷ Figures are not complete. See point 3.3.1.	-	-	3.33% (Hamburg) 38% (Thuringia)		28 ⁵⁸		0.71% (Hamburg) 12% (Thuringia) 26% (Rhineland Palatinate)
EE ⁵⁹	0	532	1	-	0	532	1	-
IE	97	1188 ⁶⁰	0	5%-100% ⁶¹	9 ⁶²	-	-	-
EL ⁶³	2667	0	1454	30.89	2667	0	1454	30.89
ES	41	273		83.34%	N/a	N/a	N/a	N/a
FR	392 per programme ⁶⁴							

⁵⁶ For the Ministry of the Walloon Region, in relation 382 on-the-spot checks were conducted by the competent functional administrative units in these programme monitoring data base (not possible to give details concerning the stages of project implementation).

⁵⁷ 5 checks carried out by the authorities of Hamburg. It comprises also intermediate bodies or outsourced checks.

⁵⁸ Rhineland Palatinate.

⁵⁹ It is not possible to distinguish upon completion of the checks or during implementation. The case number 532 consists of checks which were made from 2004 to 30.6.2007.

⁶⁰ MA have advised that this figure is correct due to there being many small projects in the Peace II OP.

⁶¹ 22%(BMW), 15% (S&E), 10%(Urban), 5% (Peace II), 71% (Technical Assistance), ESIOP: 100%.

⁶² In most of MAs, data are not available yet. MAs have advised that all projects are subject to the same degree of scrutiny by the MAs and the Implementing Bodies. No particular distinction is made between interim and final claims at a project level.

⁶³ Not possible to identify which verifications were conducted during implementation and which on closure.

⁶⁴ On an average basis, 392 potentially verifiable operations were carried out per programme for 2005, given that between January 2000 and 31 December 2005 the average number of operations per

3.2.1.2. a) As regards on-the-spot checks, please provide the total number of checks carried out at the various stages of project implementation and specify which authorities carried them out.

Member State	Verification during project implementation				Verification on closure of the project			
	No. of on-the-spot checks by managing authority	No. of on-the-spot checks by intermediate body	No. of on-the-spot checks by outsourcing	Percentage of expenditure for 2005 covered	No. of on-the-spot checks by managing authority	No. of on-the-spot checks by intermediate body	No. of on-the-spot checks by outsourcing	Percentage of expenditure for 2005 covered
IT	482	101	117	100% (most bodies) 2.16% - 26% (other bodies ⁶⁵)	1308	2481	417	100% (most bodies) 5.5%-15% (other bodies ⁶⁶)
CY	0	1	-	100%	N/a	N/a	N/a	N/a
LV	0	53	9	15%	0	6	3	4.27%
LT	5	183	0	-	-	-	-	-
LU	46 ⁶⁷	-	-	200%	-	-	-	-
HU	31	3396	-	-	13	730	-	-
MT	7	- ⁶⁸	-	- ⁶⁹	-	-	-	-
NL	- ⁷⁰	-	-	-	-	-	-	100%
AT ⁷¹	1 (during project implementation + closure)	685 (during project implementation + closure)	0	No data for on-the-spot checks ⁷² .	1 (during project implementation + closure)	685 (during project implementation + closure)		No data for on-the-spot checks.

programme was 2 355, with verification during project implementation for the most important ones, or upon closure before payment of the balance of the ERDF contribution. The on-the-spot checks are systematically followed with an inspection report attached to the "service delivered" control certificate.

⁶⁵ 26% (Liguria), 14% (Basilicata), 10% (Sicily), 4.92% (Calabria), 3% (Piedmont, Lombardy), 2.16% (Veneto).

⁶⁶ 26% (Liguria), 23.27% (Veneto), 30% (Abruzzo), 10% (Sicily, Marche), 8.3% (Ministry of education), 7% (Lombardy), 5.5% (Piedmont)), 14% (Basilicata), 10% (Sicily), 4.92% (Calabria), 3% (Piedmont, Lombardy), 2.16% (Veneto).

⁶⁷ Checks following payment requests.

⁶⁸ No intermediate body for ERDF in Malta.

⁶⁹ In 2005, the Article 4 check template did not indicate the expenditure checked during the verification check. Following the EU Commission's ERDF audit, the template was adjusted to include the table indicating the expenditure checked.

⁷⁰ Ministry of internal affairs : each project checked once.

⁷¹ Statistics concerns year 2006. Under Austria's management and control system intermediate bodies are responsible for the implementation of projects and verifications pursuant to Article 4 of Regulation

3.2.1.2. a) As regards on-the-spot checks, please provide the total number of checks carried out at the various stages of project implementation and specify which authorities carried them out.

Member State	Verification during project implementation				Verification on closure of the project			
	No. of on-the-spot checks by managing authority	No. of on-the-spot checks by intermediate body	No. of on-the-spot checks by outsourcing	Percentage of expenditure for 2005 covered	No. of on-the-spot checks by managing authority	No. of on-the-spot checks by intermediate body	No. of on-the-spot checks by outsourcing	Percentage of expenditure for 2005 covered
PL	207	1917 ⁷³	0	100% (IROP) 2% (OP TA)	6	2076 ⁷⁴	0	100% (IROP) 19% (SOP ECG)
PT	1805	19	94	Over 51% (for more than half of MA)	784	88	0	Over 96% (for more than half of MA)
SI	1	25 ⁷⁵	0	-	9	0	0	-
SK	83	165	0	0.07% to 100% ⁷⁶	10	9	0	0.09% to 100% ⁷⁷
FI	-	1390 + 15 in Åland	-	8 projects out of 12 were visited (Åland).	-	-	-	82% for Åland Objective 2 programme 2000-2006.
SE ⁷⁸	-	-	-	-	-	-	-	-
UK	3688 ⁷⁹	1754 (NI)	8 (NI)	10% for England ⁸⁰	100 (W)	-	-	32.6% for England

(EC) No 438/2001. Furthermore, on-the-spot checks are usually carried out before the completion of projects and disbursement of funds. It is impossible to provide a breakdown for the project implementation and project closure phases as no data exist.

⁷² Total of 113% of expenditure declared checked (desk check + on the spot). Duplication consequently unavoidable.

⁷³ In total the intermediate bodies carried out in 2005 1664 controls at the project implementation sites for IROP. On the basis of data held by MA IROP for 2005 it is not possible to establish how many controls were carried out during project implementation, and how many were completed.

⁷⁴ See footnote above concerning IROP

⁷⁵ 25 checks were made in 2005, 89 in 2006 and 261 in 2007.

⁷⁶ 3.36% Ministry of Economy, 100% Environment Ministry, 92% CPD 2, 96% BIOP, 0.07% Interreg.

⁷⁷ 0.09% Ministry of Economy, 100% Environment Ministry, 92% CPD 2.

⁷⁸ No data available.

⁷⁹ 3469 checks carried out by England GOs, some with the help of independent accountants; 119 checks carried out by Northern Ireland managing authorities, 100 by Wales managing authorities. No data available for Scotland.

⁸⁰ In England, as agreed by the European Commission, 30% of the total expenditure declared is subject to Article 4 checks. No data available for Northern Ireland and Scotland. For Wales, on the spot visits are not based on percentage of eligible expenditure, WEFO agreed with the Commission to visit 50% of approved projects in every calendar year from 2006 until the end of the programme period.

3.2.1.2. b) As regards on-the-spot checks, please specify the subject matter of checks.

Member State	Stage of the project: during project implementation/at the closure of the project	Subject matter of checks										
		Expenditure related to an approved project/Compliance	Compliance with programme conditions	Eligibility	Delivery of products/services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules	Publicity rules
BE ⁸¹	During pr. impl.		FR ⁸²	GC FR	GC FR	FR	GC	GC	GC	GC	GC	GC
	At the closure			GC FR	GC		GC	GC	GC FR	GC FR	GC FR	GC FR
CZ	During pr. impl.		MT MIT	MF, MT, MIT	MIT				MF	MF	MF MT	MF MT MIT
	At the closure		MIT	MF MIT	MIT			MF	MF	MF	MF	MF MIT
DK	During pr. impl.											
	At the closure	X									X	
DE ⁸³	During pr. impl.											
	At the closure											
EE	During pr. impl.	X			X	X	X		X	X	X	X
	At the closure	X		X	X	X	X		X	X	X	X
IE	During pr. impl.			X		X						
	At the closure			X		X	X					

⁸¹ Subject matter of checks not listed in the answer to the questionnaire for Walloon Region.

⁸² Flemish Region.

⁸³ Subject matter of checks not listed in the German answer to the questionnaire (the answer mentions “all statutory provisions”).

3.2.1.2. b) As regards on-the-spot checks, please specify the subject matter of checks.

Member State	Stage of the project: during project implementation/at the closure of the project	Subject matter of checks										
		Expenditure related to an approved project/Compliance	Compliance with programme conditions	Eligibility	Delivery of products/services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules	Publicity rules
EL ⁸⁴	During pr. impl.				X			X			X	X
	At the closure				X			X			X	X
ES	During pr. impl.											
	At the closure											
FR	During pr. impl.				X							
	At the closure				X							
IT	During pr. impl.			X				X	X	X	X	X
	At the closure		X									X
CY	During pr. impl.			X				X	X	X	X	X
	At the closure											
LV	During pr. impl.	X	X	X	X		X		X	X	X	X
	At the closure	X	X	X	X	X	X		X	X	X	X
LT	During pr. impl.	X	X	X	X	X	X	X	X	X	X	X
	At the closure	X	X	X	X	X	X	X	X	X	X	X
LU	During pr. impl.			X	X	X					X	
	At the closure											
HU ⁸⁵	During pr. impl.											
	At the closure											
MT	During pr. impl.			X		X	X					

⁸⁴ Not possible to identify which verifications were conducted during implementation and which on closure.

⁸⁵ Hungary indicated that the check is « complete », but did not give detailed information on subjects matter of checks.

3.2.1.2. b) As regards on-the-spot checks, please specify the subject matter of checks.

Member State	Stage of the project: during project implementation/at the closure of the project	Subject matter of checks										
		Expenditure related to an approved project/Compliance	Compliance with programme conditions	Eligibility	Delivery of products/services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules	Publicity rules
	At the closure											
NL	During pr. impl.			X								
	At the closure			X								
AT	During pr. impl.			X	X							
	At the closure			X	X							
PL	During pr. impl.	IROP		IROP OP -TA	IROP SOP- ECG	SOP- ECG	SOP-ECG	SOPT	SOPT	SOPT	SOPT SOP- ECG	SOPT
	At the closure	IROP		IROP	IROP SOP- ECG	SOP- ECG	SOP-ECG	SOPT	SOPT	SOPT	SOPT SOP- ECG	SOPT
PT ⁸⁶	During pr. impl.				X		X					X
	At the closure				X		X					
SI	During pr. impl.	X		X	X			X	X	X	X	X
	At the closure ⁸⁷											
SK	During pr. impl.	X		X	X	X						X
	At the closure	X		X	X	X	X				X	X
ES ⁸⁸	During pr. impl.	X		X	X	X	X					

⁸⁶ Some managing authorities did not submit statistical data regarding the on-the-spot checks, because the 2005 figures were not recorded.

⁸⁷ No data available.

⁸⁸ No data available, except Åland.

3.2.1.2. b) As regards on-the-spot checks, please specify the subject matter of checks.

Member State	Stage of the project: during project implementation/at the closure of the project	Subject matter of checks										
		Expenditure related to an approved project/Compliance	Compliance with programme conditions	Eligibility	Delivery of products/services co-financed	Accounting checks	Adequacy of supporting documents	State aid rules	Environmental rules	Equal opportunity requirements	Public procurement rules	Publicity rules
SE	At the closure	X		X		X	X					
	During pr. impl.						X					
	At the closure						X					
UK	During pr. impl. ⁸⁹				X				X		X	
	At the closure											X

⁸⁹ No data available.

3.2.1.3. Are records of checks performed and irregularities detected in projects kept in the programme monitoring database? (Yes/No)	
BE	Yes (except Brussels-Capital).
CZ	Yes.
DK	Yes. Information only on Objective 2 programmes. Other programmes: no information.
DE	Yes.
EE	Yes.
IE	Yes.
EL	Yes.
ES	Yes.
FR	Yes.
IT	<p>Yes: Valle d'Aosta RA, Ministry for Economic Development, Basilicata RA, Sicily RA, Calabria RA, Ministry for Infrastructure, Emilia Romagna RA, Piedmont RA, Ministry of the Interior, Abruzzi RA, Lombardy RA, Ministry of Education, Marche RA, Autonomous Province of Trento, Veneto RA⁹⁰.</p> <p>No: Campania RA, Tuscany RA, Ministry for Universities and Research, Veneto RA⁹¹, Lazio RA, Liguria RA, Puglia RA.</p>
CY	Yes.
LV	Yes.
LT	Yes.
LU	Yes.
HU	Yes.
MT	Yes.
NL	Yes.
AT	Yes ⁹²

⁹⁰ SPD Objective 2 2000/2006 and Interreg III Italy-Slovenia

⁹¹ Interreg III Italy-Austria

3.2.1.3. Are records of checks performed and irregularities detected in projects kept in the programme monitoring database? (Yes/No)	
PL	Yes: IROP ⁹³ , SOPT, OP – Technical Assistance, SOP ECG No: IROP ⁹⁴ , INTERREG
PT	Yes. Certain managing authorities mentioned there is a record of all irregularities detected in the management control system. However, there is no systematic record in computer applications of all the checks made.
SI	No.
SK	Yes (ITMS).
FI	Yes ⁹⁵ (except Åland).
SE	Yes. Summaries are available at the administrative authorities.
UK	Northern Ireland, Wales and England: Yes. Scotland: No.

⁹² Verification reports were drawn up. In the case of recoveries information recorded in ERDF monitoring system/payment agency system.

⁹³ The SIMIK system registers management and control systems of controls and irregularities relating to reporting to the EC.

⁹⁴ The SIMIK system does not register the control of projects carried out under controls pursuant to Article 4 of Regulation 438/2001. In the programme implementation reports the Intermediate and Implementing Institutions inform the Managing Authority about the number of controls carried out. Furthermore, MA IROP verifies and approves Intermediate Institution control plans.

⁹⁵ Yes, but the Fimos2000 monitoring system's information content is not in a standard form but has been based on an open text field. Therefore, a paying authority guideline (SM-2005-02936/Ha-63) has been issued, according to which the Ministries and Regional Councils using ERDF funds have to report to the paying authority recorded information on all verifications that gave rise to comments. The information can be reported either as copies of the original forms or the monitoring system, provided that the information has been comprehensively recorded therein (code/name of the project, date of the verification, name of the verifier, results of the verification and measures implemented in respect of irregularities). If the above information has been recorded in or transferred to Fimos, separate reporting to the paying authority is not necessary. Also the follow-up measures, if any, are reported. The information is reported to the paying authority twice a year.

3.2.2. If on-the-spot checks are carried out on a sample of the operations, what sampling method is used to determine what operations will be subject to such checks? Risk analysis-based or representative sampling?	
BE	<p>German speaking community: random principle (7.14% of the projects), and risk analysis based on previous reporting, previous errors or irregularities.</p> <p>Walloon Region: in general, 100% of files are checked, but when a sampling method is used, it is a random sampling method (some Directorate Generald); or random principle combined with risk analysis. Directorate General Natural Resources and Environment: checks when problem detected by the Accompaniment Committee.</p>
CZ	<p>When 100% is not checked, the sampling method used is a combination of analysis and representative sampling, or a risk analysis based sampling. Risk analysis is related to, in particular, the amount of the subsidy for a project, number of stages, rating determined in selecting a project, number of employees and so on.</p> <p>MRD: systematic checks of all projects up to a defined amount, risk analysis for the other projects.</p>
DK	A model with weighted risk and significance is used.
EE	When 100% is not checked, samples based on a risk-assessment .
IE	<p>BMW, S&E, Urban: Risk Analysis- Based.</p> <p>PSOP, Peace II, Tech. Asst., ESIOP: Representative Sampling.</p>
EL	The sampling method used is multi-stage, layered sampling to determine representative sample .

3.2.2. If on-the-spot checks are carried out on a sample of the operations, what sampling method is used to determine what operations will be subject to such checks? Risk analysis-based or representative sampling?	
ES	Risk analysis and cover of all executive bodies at the end of the period.
FR	<p>There are two possibilities:</p> <p>1) Based on representative sampling of operations and beneficiaries, incorporating the following risk criteria: amount of the operation and of the grant; type of operation; status of beneficiaries.</p> <p>2) Systematic inspection before payment of the balance of the ERDF contribution. In France, many provisions on the allocation of public funds entail compulsory on-the-spot inspections (approval of tourism services, for example).</p> <p>There is also a systematic requirement for the commissioning of certain types of projects to be inspected on the spot by the competent State technical departments.⁹⁶</p>
IT	The most commonly used method used to determine which operations have to be checked is the “ representative sample, ” adjusted where necessary following risk assessment.
CY	Risk analysis.
LV	Checks are carried out on all beneficiaries. If the beneficiary implements more than one structural fund project, project risk assessment is taken into account when establishing the set of projects to be checked. All projects assessed as presenting a high risk are included in the set.
LT	<p>Implementing authorities perform scheduled and unscheduled on-the-spot checks:</p> <p>1. Scheduled on-the-spot checks are performed in accordance with an annual schedule which is reviewed and renewed every 3 months in view of the progress made in implementing each project and any difficulties ascertained during implementation. The annual schedule of on-the-spot checks and its amendments are approved by the head of the implementing authority concerned or an authorised representative;</p> <p>2. An implementing authority must carry out an unscheduled on-the-spot check where suspicion has arisen that information supplied by a project manager may be imprecise, incomplete or misleading.</p>

⁹⁶ Coverage of operations is assessed during system audits of the programmes by the CICC-Structural Funds (the Interministerial Commission for Coordination of Controls in respect of operations part-financed by European Structural Funds) on the basis of two/three audits per period for the most important of them.

3.2.2. If on-the-spot checks are carried out on a sample of the operations, what sampling method is used to determine what operations will be subject to such checks? Risk analysis-based or representative sampling?	
LU	Checks are carried out on every project as a rule.
HU	Risk analysis considering representativity requirements.
MT	Malta performs on-the-spot checks up to 100%.
NL	The method varies from one management authority to another. Some of them opt for a comprehensive check , while others make a selection on the basis of the risks affecting the projects under examination. The programme accountants note that the management authorities of all programmes have established the sampling method. This method is appropriately applied, with the exception of two cities belonging to the Cities Programme.
AT	On-the-spot checks are carried out usually for 100% of projects, at the latest when the individual projects are completed.
PL	<p>Most of managing authorities state that all projects are subject to on-the-spot check at least once during the project implementation.</p> <p>When this is not the case, sampling is done on the basis of risk analysis. Risk analysis can take into account for example the amount of the subsidy, the information on the beneficiary, information about the suspicion of irregularity, etc. In some cases, projects exceeding a certain amount are systematically subjects to check. Detailed risk assessment methods have been communicated to the Commission.</p>
PT	Most of the managing authorities state that all projects are subject to on-the-spot checks. Authorities that conduct on-the-spot checks on a sample of operations indicated 5 times the representative sample , 4 times the risk analysis and once both methods .
RO	Both methods are used: risk analysis and representative sampling .
SI	<p>On-the-spot checks are carried out at least once during the implementation of each project before the final payment of funds.</p> <p>In the programme on Improving the enterprise support framework, the choice of checks was made on the basis of representative sampling (amount of the project, regional coverage).</p> <p>In on-the-spot checks of individual projects, checks are made on a representative cross-section of a number of invoices out of the total number of paid invoices submitted by the final recipient in request for payment. These must account for not less than 30% of the total eligible costs.</p> <p>In 2008 a sample will be checked again on the basis of risk analysis.</p>

3.2.2. If on-the-spot checks are carried out on a sample of the operations, what sampling method is used to determine what operations will be subject to such checks? Risk analysis-based or representative sampling?

<p>SK</p>	<p>On the spot verification is carried out on a representative sampling basis for the accepted requests for payment (administrative verification: 100%).</p> <p>The selection of samples of demand-based projects is based a risk analysis, or the combination of project risk analysis and representative selection.</p> <p>Risk analysis can take into account the phase of the project, and whether the demand-based project was subjected to on-the-spot verifications, whether it was instigated through the discovery of failures during administrative verification of the payment request, or by the Paying Authority or the authorities responsible for implementing Article 10 of Commission Regulation 438/201, etc.</p>
<p>FI</p>	<p>The procedures used by the intermediate bodies vary. They have been described in the management and control system. According to the managing authority guideline, at least 40% of the projects and all projects with considerable funding have to be verified. Risk analysis-based sampling may be based on the characteristics of the project or the beneficiary. Some bodies use random sampling.</p> <p>Åland, INTERREG IIII A Skärgården: The principle is that someone from the Secretariat visits each project at least once a year.</p> <p>Åland, Objective 21 programme 2000-2006: Random sampling.</p>
<p>SE</p>	<p>Both risk-based control and representative sampling investigations are used.</p>
<p>UK</p>	<p>For England, the sample is representative of the types of activity being funded through the programme, the types of delivery organisations and the amount of grant involved. An assessment of risk is taken into account, with the inclusion of those projects thought to be at higher risk of default. All high risk rated projects are included in the sample. To ensure coverage of all project types, 10% of the sample is taken from the low risk banded project category. The remaining balance is taken randomly from the medium risk projects.</p> <p>Wales, Northern Ireland – no sampling (100% checks).</p> <p>Risk analyses are used to select projects visited under Article 4 and 10 in Scotland.</p>

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
BE	Yes: Flemish Region, German speaking Community. Brussels-Capital: Not applicable.	Risk analysis takes place on the basis of three parameters and results either in controls or no controls. – By means of a percentage as well as categorisation into risk groups on the basis of the increased financial volume ; simultaneous involvement in several EU-funded measures (danger of double funding); irregularities noticed during previous checks (checking of the corrective measures).
CZ	Yes (except for MA where checks are done on a basis of 100% sample).	Risk is expressed by the amount ; starting in 2008, it will be given a rating (Ministry of Transport). The OPIE/MIT managing authority prevents the occurrence of the risk of early termination of subsidising a supported OPIE project by laying stress on the applicant's rating in selecting a project similarly to the way banks evaluate loan applicants. As regards OPIE, it has been proven that if a company applying for a subsidy has a rating (financial health test) above "+B", the risk of an OPIE project experiencing early termination within five years (according to Regulation No 1260/1999, Article 30(4b)) is eliminated significantly (Ministry of Industry and Trade). In ex-post checks (not made in 2005 yet) – risks are given a rating based on a project's financial demands, either on a time basis (upon the expiration of 2/3 – 3/3 of the obligation period, e.g., checks regarding EAGF/part of HRDP upon payment of a five-year amount are initiated after 2/3 of this period), or based on 3 or more projects submitted by a single

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
		<p>applicant within a year (frequency is risk). (Ministry of Agriculture).</p> <p>MRD: Interreg: Depends on the amount of subsidy from structural funds and the project period, subsidy beneficiary type and so on.</p> <p>JROP: Quantified risk (scale).</p>
DK	Yes. (Objective 2 programmes)	The risk assessment is banded according to points assigned for assessed risk and on the basis of type of project (complexity), type of beneficiary and amount involved etc.
DE	Yes.	
EE	50 % of implementers do.	Various methods are used: e.g. risk expressed as a level: high, medium, low; 10% of projects checked , etc.
IE	Yes.	Medium/High Risk
EL	Yes.	According to no. 4574/EYS/570/31.01.2007 (Revised guidelines for audits by managing authorities under Art. 4 Reg. 438/2001), the risk is expressed as an amount (project budget). This amount is determined/estimated by the programme managing authority in order to obtain reasonable assurance of the legality and regularity of declarations of expenditure submitted to the Commission. All projects which overshoot the budget set as a limit by the managing authority are audited in their entirety.

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
ES	Yes.	A qualitative assessment is made.
FR	No.	The risk is not an exclusive criterion.
IT	<p>Yes:</p> <p>Valle d'Aosta RA, Ministry for Economic Development⁹⁷, Basilicata RA, Sicily RA, Campania RA, Calabria RA, Ministry for Infrastructure, Piedmont RA, Lombardy RA, Liguria RA</p> <p>No: Ministry for Economic Development⁹⁸, Emilia Romagna RA, Ministry of the Interior, Abruzzi RA, Ministry for Universities and Research, Ministry of Education, Marche RA, Autonomous Province of Trento, Veneto RA⁹⁹, Lazio RA.</p>	<p>As a rule, the risk is quantified on the basis of the following criteria:</p> <ul style="list-style-type: none"> – the number of operations; – the amounts involved; – the type of intervention. <p>When checks are planned and conducted account is taken of certain qualitative aspects (state of procedure) and quantitative aspects (financial progress) and the findings of any previous checks</p>

⁹⁷ Coverage of operations is assessed during system audits of the programmes by the CICC-Structural Funds (the Interministerial Commission for Coordination of Controls in respect of operations part-financed by European Structural Funds) on the basis of two/three audits per period for the most important of them.

⁹⁸ Ministry of Economic Development (NOP and Technical assistance and systems measures).

⁹⁹ Veneto RA: Interreg III Italy-Slovenia and Interreg III Italy-Austria.

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
CY	Yes.	Given a rating
LV	Yes.	<p>A risk assessment is undertaken, taking into account the following criteria:</p> <ul style="list-style-type: none"> - the amount of expenditure to be assigned to a project or grant scheme; - the duration of the project or grant scheme; - the complexity of the project or grant scheme (number and scope of activities, amount of procurement foreseen, planned administrative expenditure, partnership arrangements and number of partners, amount of construction work envisaged (in the case of a construction project), confidence in the recipient – assessment of the recipient, his or her reputation, prior co-operation). <p>The risk is expressed in figures, taking into account a quantitative assessment of each of the criteria mentioned. Depending on the outcome of the quantitative risk assessment the project is classified as a high-, medium- or low-risk project.</p> <p>The risk assessment is taken into account when determining the set of projects, original supporting documents and amount of fixed assets to be checked.</p> <p>At least once a year the relevant project is re-evaluated and as a result the set of projects to</p>

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
		be checked is updated.
LT	Yes.	All authorities responsible for administering EU Structural Funds develop methods for identifying risks in accordance with their own internal procedures and use these methods as a basis when planning scheduled on-the-spot checks and carrying out unscheduled on-the-spot project checks.
LU	No.	
HU	Yes.	<p>Planning of a field-day covers the following sub-tasks:</p> <ul style="list-style-type: none"> – elaborating a sampling methodology to conduct a field-day based on risk analysis, – risk analysis based on the sampling methodology, – preparing a yearly control plan. <p>Cooperating organisations (KSz) elaborate the sampling methodology to field-days that are based on risk analysis. This job is done under the coordination of the Managing Authority (MA) following the guidelines issued by the Ministry of Finance and the Common Operational Handbook. The methodology is approved by the MA. The methodology provides for <i>inter alia</i> guidelines on risk analysis and the interim review of the yearly control plan. On the basis of the approved methodology the cooperations organisation</p>

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
		<p>conduct the risk analysis and set up a yearly field-day plan that is sent to MA for information. In cooperation with the MA. The cooperation organisation provide for a yearly review of the sampling methodology, the risk analysis and the design of the yearly field-day plan.</p> <p>On a field-day, the applied sampling methodology must be presented and explained, the registration about the individual cases taken into the sample must be kept and the results of the controls recorded. The applied sampling methodology must be revised regularly with attention being paid to error rates and other well-known risk factors. The review proceeding must also be recorded.</p> <p>The yearly field-day plan must contain at least the following information:</p> <ul style="list-style-type: none"> – organizations and projects to be examined: beneficiaries or projects indicated in agreements and chosen on the basis of risk analysis, – reference to the applied sampling methodology and risk analysis, – aim of the examination: see the introductory part, points to be checked on the field-day, – examined period: e.g. from the signing of the grant agreement or the end of the previous control period up to the date of the examination,

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
		<ul style="list-style-type: none"> – agenda of the examination: at least in quarterly breakdown but a monthly breakdown is recommended (checking the dates with beneficiaries), – necessary sources¹: number of specialists' days, foreseeing <i>ad hoc</i> controls. <p>Aspects for consideration at risk analysis (e.g.):</p> <ul style="list-style-type: none"> – type of project, – dimension of project (high-value projects bear a higher level of risk), – type of beneficiary (e.g. on the basis of the control procedures of the beneficiary), – number of projects completed by the beneficiary, – rate of assistance, – type of account, <p>number of problems or irregularities arising during the project.</p>
MT	N/a. In the case of ERDF, the Managing Authority performs 100% checks on	

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
	expenditure prior to sending any payment claim to the Commission.	
NL	Yes.	Given a rating, percentage and amount.
AT	N/a	
PL	<p>Yes: IROP, SOP Transport, OP – Technical Assistance, SOP ECG</p> <p>No: INTERREG</p>	<p>IROP : The Managing Authority IROP in terms of control of the management and control system chooses a Region for checks in keeping with risk analysis for the given calendar year, in which it checks the correctness of the functioning of the system. Risk areas are taken into consideration during risk analysis in choosing the Region for checking, risk is expressed on a scale (low, average, high).</p> <p>Next, the MA IROP chooses at least one measure on the basis of risk analysis, under which it selects sample projects on the basis of which it checks the application of procedure. (Complementary information on risk analysis has been communicated to the Commission).</p> <p>SOP Transport. Risk is calculated by means of a number indicator – from 1 to 4, where 1 signifies the lowest risk, and 4 the highest.</p> <p>OP – Technical Assistance. Risk is expressed on a scale of 1 to 5 allocated to given criteria in risk analysis</p> <p>SOP ECG. For Implementing Institute (PARP) checks relating to e.g. Measure 2.3 – this is a points value (later calculated as a percentage share).</p>
PT	No, except two managing authorities.	Two managing authorities indicated the risk was taken into account. In response to point 3.2.3.2 , they stated that the risk was calculated based on previous knowledge and

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
		experience, according to the complexity of the operations and executors involved. The following interval ranges were adopted for the inherent risk and control risk: high risk (60% to 90%) medium risk (30% to 60%) low risk (10% to 30%).
RO	Yes.	Based on the risk factors established by each Management Authority and by the Authority for Certification and Payment, each risk has a percentage and a score. Thus, risks are grouped in a risk class: high, medium and low risk. Verifications mainly concern those from the high risk class.
SI	Yes.	Risk level: high, medium, low.
SK	Yes.	<p>Preliminary financial verification of projects is based on a risk factor analysis.</p> <p>The risk factors are:</p> <ul style="list-style-type: none"> – The financial scale of the project (size of non-repayable financial aid) – Sources of funding – Level of beneficiary debts and liabilities – Financial results for the past year – Ownership or personal links of the beneficiary with other firms.

3.2.3. Use of risk in planning and execution		
Member State	3.2.3.1. Is risk formally taken into account when planning individual assignments or determining overall coverage of verifications (based on, e.g., the potential financial loss, reputation issues etc)? (Yes, No)	3.2.3.2. If YES, please state the manner in which risk is expressed / quantified (either given a rating – high, medium, low or a percentage or the amount):
		<ul style="list-style-type: none"> – Sector – Information arising from monitoring reports – project implementation stage (IB/MB). <p>Additional details have been communicated to the Commission.</p>
FI	Yes (except Åland).	All projects in which public assistance exceeds 100 000 € have to be verified.
SE	Yes.	The risk is quantified as an amount.
UK	Yes.	The UK risk is assessed on the track record of the applicant, the nature of the project and the amount of grant/total project value and given a rating of High, Medium or Low. The assessment takes into account the views from appraisal, payment and inspection staff who have knowledge of applicants/projects. All high risk rated projects are included in the sample. To ensure coverage of all project types, 10% of the sample is taken from the low risk banded project category. The remaining balance is taken randomly from the medium risk projects.

3.2.4. The terms of grant agreements may include a requirement for final beneficiaries to provide an accountant's certificate with expenditure declarations they submit for payment.		
Member State	3.2.4.1. Are accountants' certificates required in your Member State? (Yes/No)	3.2.4.2. Are accountants' certificates considered useful in providing assurance? Please explain.
BE	No (except Walloon Region).	Walloon Region: Attestations from auditors or reviewers are used as supporting documents in providing assurance, where necessary. German speaking Community: not in every case. External auditors do not always adequately take into account EU-specific controls.
CZ	Yes.	Provided that final beneficiaries themselves decide to submit accountants' certificates (such as auditor's reports), such documents are considered trustworthy by the managing authority.
DK	Yes. (Objective 2 programmes)	Yes, accountants' certificates are regarded as useful in providing assurance. The accountants' certificates are issued by a registered or chartered accountant. After receiving the letter of authorisation, the project accountant issues a certificate that the accountant has been acquainted with Notice No 1059 of the Agency for Enterprise and Construction of 4 December 2000 on responsibilities and competence etc. for the management of aid from the Euro-pean Regional Fund and related national co-financing and Notice No 1166 of 15 December 2000 on accounts and accountancy in connection with the payment of aid from the European Regional Fund and related national co-financing and that the person concerned is acquainted with the content of these documents. The accountant must also state that he has carried out an examination of the project management procedures and registration systems and that he con-siders them to be satisfactory and in compliance with the requirements of the aforesaid Notices.
DE	Yes.	While accountants' certificates are useful on the one hand, on the other hand additional financial demands act as a disincentive to potential applicants for EU resources.

3.2.4. The terms of grant agreements may include a requirement for final beneficiaries to provide an accountant's certificate with expenditure declarations they submit for payment.		
Member State	3.2.4.1. Are accountants' certificates required in your Member State? (Yes/No)	3.2.4.2. Are accountants' certificates considered useful in providing assurance? Please explain.
EE	No.	No.
IE	No.	In general and from our experience accountant's certificates are not that useful as commercial accountants have limited experience in dealing with EU Regulations. The Managing Authority for Peace II has made the following statement: "UK Government Accounting practice advocates the use of auditor's certificates. A number of Government Departments in the UK insist that these certificates are used. In these cases they are viewed as an additional level of control. However, it is recognised that they do not cover all required aspects and in particular the eligibility of expenditure in terms of compliance with EC Regulation".
EL	No.	As most operational programmes are implemented by public bodies and verifications under Art. 4 Reg. 438/2001 include verification of the natural object of the actions implemented, this option was not considered useful for operational programmes under the 3rd CSF.
ES	No.	
FR	Yes.	Yes because, when endorsed by an auditor or chartered accountant in the case of private beneficiaries, or by a public accounting officer in the case of public beneficiaries, they provide assurance that the invoices submitted by the operator have been settled with the suppliers. In the case of private beneficiaries, the bank statement showing the debit corresponding to

3.2.4. The terms of grant agreements may include a requirement for final beneficiaries to provide an accountant's certificate with expenditure declarations they submit for payment.		
Member State	3.2.4.1. Are accountants' certificates required in your Member State? (Yes/No)	3.2.4.2. Are accountants' certificates considered useful in providing assurance? Please explain.
		the invoice is also deemed to be third-party proof of acquittal of expenditure incurred by beneficiaries.
IT	<p>Yes: Basilicata RA; Campania RA; Calabria RA; Ministry for Infrastructure; Piedmont RA; Ministry of the Interior; Abruzzi RA; Marche RA; Apulia RA; Lazio RA; Liguria RA;</p> <p>No: Valle d'Aosta RA; Tuscany RA; Ministry of Economic Development; Emilia Romagna RA; Lombardy RA; Autonomous Province of Trento; Ministry for Universities and Research; Veneto RA.</p>	Accountants' certificates are useful for tracing payment flows and actual expenditure by the final beneficiary or user in connection with Article 9 of Regulation (EC) No. 438/01.
CY	Yes.	-
LV	Yes.	The Central Finance and Contracting Agency (CFCA) requests that the beneficiary submits a sworn auditor's report on expenditure claimed in any request for structural funds that has a total value in excess of LVL 500 000. Given that the CFCA carries out complete checks of all structural-fund-related supporting documents, the sworn auditor's reports submitted by the beneficiary are used only to obtain additional assurance of the relevance of the recipient's expenditure, but do not serve as incontrovertible confirmation of the relevance of the expenditure submitted.
LT	Yes, but not in all cases.	Pursuant to the Administrative and Financial Rules governing measures contained in

3.2.4. The terms of grant agreements may include a requirement for final beneficiaries to provide an accountant's certificate with expenditure declarations they submit for payment.

Member State	3.2.4.1. Are accountants' certificates required in your Member State? (Yes/No)	3.2.4.2. Are accountants' certificates considered useful in providing assurance? Please explain.
		<p>Lithuania's 2004–2006 single programming document and projects financed under these measures, approved under Minister of Finance Order No 1K-033 of 28 January 2004 (Official Gazette 2004, No 19-599; 2005, No 21-667), intermediate bodies administering EU Structural Funds financing can specify that the final report on project implementation must be accompanied by an audit report.</p> <p>However, authorities have noted that the requirement to provide an audit report together with the final report on project implementation has not always proved justified. The auditors employed by project implementers did not always carry out their work in a satisfactory manner – errors were found by implementing authorities when they verified documents supporting payment requests and expenditure, and it was not always possible to trust auditors' work.</p>
LU	No	
HU	No.	<p>Art. 33(2) of Joint Decree 14/2004 (VIII. 13.) TNM-GKM-FMM-FVM-PM requires that the application for payment be countersigned by a certified accountant. By the amendment of the Decree the above measure was repealed as it had significantly increased administrative burdens while it had not substantially verified the adequacy of the declarations.</p>
MT	No.	<p>Malta pre-finances all expenditure. Expenditure is checked at line Ministry level, at Treasury level and subsequently by the Managing Authority during the verification of expenditure.</p>

3.2.4. The terms of grant agreements may include a requirement for final beneficiaries to provide an accountant's certificate with expenditure declarations they submit for payment.

Member State	3.2.4.1. Are accountants' certificates required in your Member State? (Yes/No)	3.2.4.2. Are accountants' certificates considered useful in providing assurance? Please explain.
NL	Yes.	During the 2000-2006 programme, the practice at both programme and project level under the ERDF was for an accountant's certificate to be issued by external accountants (with the exception of D-2 cities where the Accountancy Department of the Ministry of Internal Affairs acted as programme accountant). This means that an accountant's certificate was submitted on completion of projects at project level, and with the annual report and the Article 13 report at programme level. Each Single Programming Document used an individually employed programme accountant. The Commission has indicated on many occasions that, under Regulation (EC) 438/2001, an accountant's certificate is required only before the final conclusion. For this and other reasons, a pilot project is under way in the Single Programming Document for the Northern Netherlands which dispenses with the project account, so that the management authority itself carries out the required checks. For the new 2007-2013 programme period, the duties of the audit authority are centralised within the Financial Audit Department, which will be responsible for the checks and products referred to in the new Regulation 1083/2006. This centralisation means that there is less need for accountants' certificates over and above those required under the relevant regulations.
AT	No. Promoters are required to submit detailed financial statements. In some cases banks carry out preliminary checks. Article 4 audits always have to be carried out by the authorities (to ensure independence).	Accountants' certificates are of use only if they are issued by an independent certified accountant.

3.2.4. The terms of grant agreements may include a requirement for final beneficiaries to provide an accountant's certificate with expenditure declarations they submit for payment.

Member State	3.2.4.1. Are accountants' certificates required in your Member State? (Yes/No)	3.2.4.2. Are accountants' certificates considered useful in providing assurance? Please explain.
PL	No.	Not applicable
PT	Most managing authorities: No. 8 managing authorities: Yes.	In cases where the requirement applies to the measure the certification of the expenditure by accredited accountants according to the rules of the Order of Official Auditors and the Chamber of Official Accountants facilitates the entire process. By confirming that investment expenditure has been incurred and by providing the elements necessary to verify the expenditure's eligibility, it provides assurance of reliability.
RO	No.	
SI	Yes.	Yes, insofar as they would simplify the approval of payment requests and provide a high level of assurance.
SK	No.	
FI	No ¹⁰⁰ (Åland: Yes).	Accountants' knowledge of the special terms applicable to the structural funds differs. The regularity of the project and the eligibility of expenditure cannot be assured by an audit. Some of the financing bodies require, as a rule, the auditor's statement as a condition for processing the payment application, some on a case-by-case basis (on the basis of the beneficiary or project type). In very small projects the costs incurred from this would be disproportionate. It is considered important that it is clear to the implementing body whether the costs of the auditor's statement are eligible or not. The interpretation depends on whether the financing authority has required it to be included in the

¹⁰⁰ It is in the discretion of the financing authority to decide upon the need and to set the requirements in the financing decision; the requirement may become applicable on the basis of the national aid system. However, there is no provision that would extend to all ERDF co-financed activity.

3.2.4. The terms of grant agreements may include a requirement for final beneficiaries to provide an accountant's certificate with expenditure declarations they submit for payment.		
Member State	3.2.4.1. Are accountants' certificates required in your Member State? (Yes/No)	3.2.4.2. Are accountants' certificates considered useful in providing assurance? Please explain.
		<p>financing decision or not.</p> <p>The practice of the intermediate bodies may be that the financing authority determines when an audit is required in the project and decides to perform it as its own measure performed by its auditor or as an outsourced service on its own account. The financing authority shall pay the costs. The extent of the audit shall be determined on a case-by-case basis.</p> <p>Åland: Yes. Accountants' verifications are made on the spot and the projects' applications, bookkeeping and results are checked.</p>
SE	No.	No, the auditors responsible for the regional fund have found a low level of confidence in what the auditor can certify in practice.
UK	<p>For England, yes but thresholds exist. However, at the end of 2007, GO were instructed that a risk-based system could be applied in order to reduce the burden.</p> <p>Wales – yes.</p> <p>Northern Ireland - No (although there is no requirement to obtain Accountants certificates one Implementing Body obtained certificates for 100% of its projects).</p>	<p>England: Yes, it can be an added assurance to the control systems already in place. However, as far as expenditure checks are concerned, they do not generally report on the eligibility of the project expenditure.</p> <p>Wales: Yes. They confirm eligibility or otherwise of all expenditure claimed through reference back to supporting documentation. WEFO require independent audit certificates at project level on an annual basis and at final claim stage. Where audit qualifications arise adjustments are made to the payment claim accordingly. WEFO retains 5% of grant on all projects until the satisfactory receipt of a final claim and independent audit certificate.</p> <p>For NI, all responses indicated that Accountants' certificates are considered to be of benefit across the whole range of programmes, as they provide an independent assurance of the finances of the project and also an additional level of control which supports both</p>

3.2.4. The terms of grant agreements may include a requirement for final beneficiaries to provide an accountant’s certificate with expenditure declarations they submit for payment.

Member State	3.2.4.1. Are accountants’ certificates required in your Member State? (Yes/No)	3.2.4.2. Are accountants' certificates considered useful in providing assurance? Please explain.
	Scotland – No.	<p>Investigating Bodies and Monitoring Authorities.</p> <p>Scotland stated that Accountants Certificates can usefully enhance levels of assurance but are not mandatory. Recent Commission advice also casts doubt on the extent to which the Commission will accept Accountants Certificates.</p>

3.3. Results of Article 4 verifications

3.3.1. Number of irregularities detected in 2005 and financial value

Although the Community legislation applicable in the field of structural funds in the year 2005 (Article 12 of Regulation No 1681/94) provided for notification of irregularities involving more than €4000 (and irregularities of less than €4000 only at the express request of the Commission), to gain a complete picture of the situation in the Member States it would be useful to gather information on all irregularities detected in management verifications, including those below the €4000 threshold and not communicated to Commission (OLAF) in application of the COCOLAF working document from 11th April 2002. Therefore, **Member States were asked to provide the number of all irregularities¹⁰¹ detected in 2005 under Article 4 of Regulation (EC) No 438/2001, including those not communicated to the Commission (i.e. irregularities involving less than €4000 or detected before payment).**

The following tables summarize the information provided by the Member States concerning this question. The first table displays the absolute number of irregularities, while the second table deals with the percentages of the irregularities.

It should be pointed out that Bulgaria and Romania are not included in the tables since they were not Member States in the concerned period (2005). Furthermore, most of the EU-10 Member States detected no or very few irregularities due to the fact that in 2005 these Member States did not dispose of a large amount of funds yet. Finally, some old Member States did not provide their figures or provided only partial figures.

¹⁰¹ The definition of "irregularity" is to be found in Regulation No 2988/95, Article 1(2) of which states that "'irregularity' shall mean any infringement of a provision of Community law resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the general budget of the Communities or budgets managed by them, either by reducing or losing revenue accruing from own resources collected directly on behalf of the Communities, or by an unjustified item of expenditure".

NUMBER OF IRREGULARITIES DETECTED IN 2005

	Number of irregularities detected by managing authorities				Number of irregularities detected by intermediate bodies				Not specified	TOTAL NUMBER OF DETECTED IRREGULARITIES
	Detected by desk-based check	Detected by on-the-spot check	Not specified	Total	Detected by desk-based check	Detected by on-the-spot check	Not specified	Total		
Expenditure ineligible under eligibility rules or grant conditions	230	74	114	418	119	60	264	443		861
Failure to meet deadlines	12	18	1	31	15		31	46	1	78
Missing or incomplete supporting documents	130	9		139	64	4	128	196		335
Infringement of rules concerning public procurement	22	20		42	9	7	62	78	2	122
Failure to meet other regulation/contract conditions, such as state aid rules, publicity	27	34		61	53	23	89	165		226
False or falsified supporting documents	2			2	8	7	4	19		21
Failure to take account of revenue	40			40	8	4		12		52
Other irregularities	22	27	1	50	181	55	192	428		478
Not specified		7	97	104	10	8		18	20	142
Total	485	189	213	887	467	168	770	1405	23	2315

PERCENTAGES OF IRREGULARITIES DETECTED IN 2005

	% of irregularities detected by managing authorities				% of irregularities detected by intermediate bodies				Not specified	TOTAL % OF DETECTED IRREGULARITIES
	Detected by desk-based check	Detected by on-the-spot check	Not specified	Total	Detected by desk-based check	Detected by on-the-spot check	Not specified	Total		
Expenditure ineligible under eligibility rules or grant conditions	9,94	3,20	4,92	18,06	5,14	2,59	11,40	19,14	0,00	37,19
Failure to meet deadlines	0,52	0,78	0,04	1,34	0,65	0,00	1,34	1,99	0,04	3,37
Missing or incomplete supporting documents	5,62	0,39	0,00	6,00	2,76	0,17	5,53	8,47	0,00	14,47
Infringement of rules concerning public procurement	0,95	0,86	0,00	1,81	0,39	0,30	2,68	3,37	0,09	5,27
Failure to meet other regulation/contract conditions, such as state aid rules, publicity	1,17	1,47	0,00	2,63	2,29	0,99	3,84	7,13	0,00	9,76
False or falsified supporting documents	0,09	0,00	0,00	0,09	0,35	0,30	0,17	0,82	0,00	0,91
Failure to take account of revenue	1,73	0,00	0,00	1,73	0,35	0,17	0,00	0,52	0,00	2,25
Other irregularities	0,95	1,17	0,04	2,16	7,82	2,38	8,29	18,49	0,00	20,65
Not specified	0,00	0,30	4,19	4,49	0,43	0,35	0,00	0,78	0,86	6,13
Total	20,95	8,16	9,20	38,32	20,17	7,26	33,26	60,69	0,99	100,00

3.3.2. Based on you experience, what are the root causes of irregularities? Why do irregularities occur?

Description of root causes: Unclear eligibility rules and condition (if possible, indicate provisions); Not enough guidance on the implementation of the rules and conditions; Frequent changing of staff/shortage of staff; Difficulties in training staff; other possible causes.

If possible, please state a **percentage** for each category.

3.3.2. Based on your experience, what are the root causes of irregularities? Why do irregularities occur?	
BE	Unclear eligibility rules and condition (Flemish Region 60%), not enough guidance on the implementation of the rules and conditions (Flemish Region 40%), frequent changing of staff/shortage of staff (German speaking Community 30%), difficulties in training staff (German speaking Community 70%). Brussels-Capital Region: Poor area distribution key for projects located in buildings shared with other projects that are not part of by structural funds, poor identification of revenues generated by ERDF projects, problems of sustainability (project abandoned after 31/12/2006), project abandoned and non-completed given the inability to drum up co-financing within the eligibility period. German speaking Community: insufficient knowledge of the beneficiary on the criteria and guidelines.
CZ	Unclear eligibility rules and condition (30%), not enough guidance on the implementation of the rules and conditions (30%), frequent changing of staff/shortage of staff (20%), difficulties in training staff (10%). For the Ministry of Environment, 95% of identified suspected irregularities comprise breach of the terms and conditions laid down in Act No 137/2006 Coll. on public procurement (and its previous versions). However, analysis of individual cases has shown that they need not comprise intentional breach; rather than that, irregularities are based on the enormous complexity of the law, inconsistent interpretation of some of its provisions and the ensuing possibility of errors in applying the law. Interreg: Using funds for other purposes than the project's purpose (goal) – 20%. JROP: Note: In 2005, no irregularities were detected; as a result, it is impossible to make an objective list of reasons for irregularities.
DK	Unclear eligibility rules and condition (5%), not enough guidance on the implementation of the rules and conditions (5%), frequent changing of staff/shortage of staff (10%), bankruptcy (70%), aid rules and conditions not understood by beneficiary (10%).
EE	<p>Unclear eligibility rules and condition (24%), not enough guidance on the implementation of the rules and conditions (23% problems with following procurement rules 15% authorised actions not performed 15% problems with proper use of aid under 5a), frequent changing of staff/shortage of staff (1%), difficulties in training staff (1%).</p> <p>Expenditure eligibility is regulated in various legal acts, of which it is difficult for aid recipients to get an overview. Aid recipients do not always fully familiarise themselves with their obligations (obtaining three offers, conserving documentation, continuing action until after the end of the eligibility period), and do not apply to</p>

3.3.2. Based on your experience, what are the root causes of irregularities? Why do irregularities occur?

	<p>implementation units when they have problems in a timely manner. There can be several people responsible for a project, with the division of labour not clearly defined; handovers not documented at times of staff changes, with new project leaders lacking a historical record.</p>
IE	<p>Unclear eligibility rules and condition, in particular Land Issues, Receipts, Overheads (Medium to High percentage), Misapplication of Rule 5, Inclusion of overheads, Administrative errors (Low percentage).</p> <p>Not enough guidance on the implementation of the rules and conditions, in particular lack of familiarity of the regulations at the beginning of the programme led to the occurrence of irregularities (low percentage).</p> <p>From experience misinterpretation is one of the main contributors but this is often not a result of lack of guidance but rather misinterpretation of that guidance.</p> <p>Frequent changing of staff/shortage of staff. (Low to Medium percentage. At final beneficiary and implementing body level, it is difficult to quantify with any degree of certainty as it has not been officially cited as a reason for irregularities occurring).</p> <p>Difficulties in training staff (at implementing body level. Low percentage).</p> <p>Miscalculation of overhead apportionments.</p> <p>Inadequate supporting documentation with claims</p>
EL	<p>Unclear eligibility rules and condition (75%), not enough guidance on the implementation of the rules and conditions (5%), frequent changing of staff/shortage of staff (5%), difficulties in training staff (15%).</p>
ES	<p>Unclear eligibility rules and condition (10%), not enough guidance on the implementation of the rules and conditions (90%).</p>
FR	<p>Over-financing of operations. By a Government decision, since mid-2002, to avoid penalising operators for factors over which they have no control, such as the payment of a grant by a local or regional authority which in France has legal and financial autonomy under the Constitution of the Vth Republic, the payment of aid from the Structural Funds has no longer been subject to the payment of national co-financing (Ministerial circular of 19 August 2002 introducing simplifying measures in the management of the Structural Funds).</p> <p>If national co-financing is paid on a flat-rate basis, in cases of under-implementation of a project the amount of the Structural Fund contribution is adjusted to real expenditure and a repayment order is issued.</p>
IT	<p>Unclear eligibility rules and condition (25%), not enough guidance on the implementation of the rules and conditions (22.5%), frequent changing of staff/shortage of staff (21,43%), difficulties in training staff (23,86%).</p>

3.3.2. Based on your experience, what are the root causes of irregularities? Why do irregularities occur?

	<p>Falsification at the preliminary stage (in particular false self-certification regarding requirements). These declarations may also involve double funding (where the operator presenting the application declares that no other funding has been received for the same project);</p> <p>Falsification of accounts, particularly the beneficiary's internal accounts (false invoices, etc.)</p>
CY	Unclear eligibility rules and condition in specific aid schemes.
LT	Frequent changing of staff/shortage of staff (20%), difficulties in training staff (80%). One of the most important causes is the shortfall in the capacity of project implementers, particularly in the area of public procurement.
HU	Primary causes for irregularities are to be found in the incidentally illegal utilization by the beneficiary or in a manner differing from the intended purpose. Irregularities are partly unintended and arise from administrative failures or misinterpretation of rules. There are no data available for the categories of the above chart.
MT	Frequent changing of staff/shortage of staff, different approaches used for national funds and Structural Funds, different systems of control as between Structural Funds' systems and other Community Programmes / Initiatives.
NL	Unclear eligibility rules and condition (95%), not enough guidance on the implementation of the rules and conditions (4.5%), frequent changing of staff/shortage of staff (0.5%). Other possible causes: The final beneficiaries supply unclear, incomplete or incorrect information (not necessarily on purpose), including incomplete progress and final reports. Arithmetical errors. Increase in costs that are not eligible for subsidisation. Costs paid prior to the date after which they would be eligible for subsidisation or after the final date. Failure to abide by applicable rules on tendering.
AT	Unclear eligibility rules and condition (10%), not enough guidance on the implementation of the rules and conditions (5%), frequent changing of staff/shortage of staff (10%), difficulties in training staff (50%).
PL	Unclear eligibility rules and condition (16%), not enough guidance on the implementation of the rules and conditions (35%), frequent changing of staff/shortage of staff (15%), difficulties in training staff (8%), Incorrect understanding of the principles on expending structural funds on the part of beneficiaries, lack of sufficient knowledge of the Public Procurement Act, beneficiary negligence, capital and personal links – purchasers and contractors.
PT	Unclear eligibility rules and condition (in particular the eligibility rules relating to the performance of public procurement rules), frequent changing of staff/shortage of staff, failure by prosecutors in interpreting the eligibility rules and conditions. Difficulties ensuring a balanced economic and financial situation in the course of the

3.3.2. Based on your experience, what are the root causes of irregularities? Why do irregularities occur?

	project/contract.
SI	Unclear eligibility rules and condition (65%), not enough guidance on the implementation of the rules and conditions (25%), frequent changing of staff/shortage of staff (10%).
SK	<p>Unclear eligibility rules and condition (10-30%), not enough guidance on the implementation of the rules and conditions (10-30%), frequent changing of staff/shortage of staff (10-25%), difficulties in training staff (5-25%).</p> <p>Failure to adhere to the obligations arising from the NRFC provision agreements by the final beneficiaries/recipients. Changes in conditions in the course of project implementation and failure to communicate them within the contractual deadline to the MA or the IB/MB. Failure to comply with NRFC agreements by the recipients, problems with public procurement, invoicing works not completed by the contractor. Inadequate staffing for the IB/MB – project managers for SF projects have other tasks within the organisation, which prevents them from investing the right amount of time into project implementation conditions. In respect of criminal law, where irregularities of a criminal nature are taken to court, along with the factors mentioned above, the most common reasons are subsequent checks of the persons requesting assistance and checks as to whether they meet the criteria for assistance, and whether they meet the formal requirements. Failure to comply with NRFC agreements by the final beneficiaries/recipients. Substituting materials contrary to the approved project budget. Submitting accounting records for payments for works, goods and services that have not been provided.</p>
FI	<p>Small projects, small project volume of financing authorities. No critical mass for knowledge is created.</p> <p>Skärgården: Unclear eligibility rules and conditions (20%), not enough guidance on the implementation of the rules and conditions (80% - and, by extension, the projects' planning of inputs and measure). Inadequate information and communication.</p>
UK	<p>Northern Ireland: unclear eligibility rules and condition (30%), not enough guidance on the implementation of the rules and conditions (30%), frequent changing of staff/shortage of staff (20%), difficulties in training staff (10%), miscalculation of overheads or inadequate supporting documents (10%). In England and Wales, difficulties in training staff and organisations (grant recipients) failing to observe the terms and conditions of the grant offer. Also, it is believed that organisations often fail to cascade these terms and conditions to relevant staff. Scotland: difficulties in training staff (100%).</p>

3.4. Measures taken after detection of irregularity

3.4.1. Please state the number of measures taken for each category below.						
Member State	Corrective measures in form of improvements in systems/procedures	Decision to recover	Abandonment/Waiver of recovery ¹⁰²	Failure to recover ¹⁰³	Reallocation of money to other expenditure within the same project of the same beneficiary	Other
BE	2	9	0	0	2	
CZ	Not applicable (no irregularities detected in 2005).	Not applicable.	Not applicable.	Not applicable.	Not applicable.	Not applicable.
DK		16		6		10 (6 repaid, 4 still under consideration)
DE ¹⁰⁴						
EE	Procedures and legislation are amended as shortcomings emerge – separate account is not taken of them	37				
IE	Matters brought to	Because all	See above	See above		

¹⁰² See Article 5, paragraph 1 of Regulation No 1681/94, OJ L 178, 12.7.1994, p. 43–46.

¹⁰³ See Article 5, paragraph 2 of Regulation No 1681/94 as modified by Regulation No 2035/2005, OJ L 328, 15.12.2005, p. 8–12.

¹⁰⁴ No data available. In future data to be recorded by listing pursuant to art.2 Regulation (EU) No 448/2001.

3.4.1. Please state the number of measures taken for each category below.						
Member State	Corrective measures in form of improvements in systems/procedures	Decision to recover	Abandonment/Waiver of recovery¹⁰²	Failure to recover¹⁰³	Reallocation of money to other expenditure within the same project of the same beneficiary	Other
	attention of offending body; guidance provided for future treatment of similar items; training seminars provided to relevant personnel; for all cases there is a subsequent adjustment out of the next interim claim.	irregularities are adjusted out of subsequent claims all amounts are recovered. Due to the nature of the Irish system all losses are borne by the Exchequer.				
EL		3	1			
ES	-	110	0	0		0
FR	0	53	0	0 ¹⁰⁵	45	0
IT	2	196	6	12	2	
CY	-	-	-	-	-	-
LT	1					

¹⁰⁵ So far no cases of actual failure to recover, but payment facilities have been granted to beneficiaries (repayment in stages).

3.4.1. Please state the number of measures taken for each category below.

Member State	Corrective measures in form of improvements in systems/procedures	Decision to recover	Abandonment/Waiver of recovery¹⁰²	Failure to recover¹⁰³	Reallocation of money to other expenditure within the same project of the same beneficiary	Other
LU	-	0 ¹⁰⁶	0 ¹⁰⁷	0 ¹⁰⁸	-	-
HU	1	14	0	0	0	133 (??)
MT¹⁰⁹	N/a	N/a	N/a	N/a	N/a	N/a
NL	X	X				X
AT				15 – so called 5(2) reports issued.		
PL	9	10	0	0	2	0
PT	11	166	0	(Not frequent)	34	6 ¹¹⁰
SI				1 ¹¹¹		
SK						

¹⁰⁶ All irregularities detected have been reimbursed by the beneficiaries.

¹⁰⁷ All irregularities detected have been reimbursed by the beneficiaries.

¹⁰⁸ All irregularities detected have been reimbursed by the beneficiaries.

¹⁰⁹ No irregularity was discovered in 2005 as a result of Article 4 checks.

¹¹⁰ Regularisation of subsequent payment request or final request, resulting in reduction of the eligible investment.

¹¹¹ Recovery not effected as the recipient was the Centre for school and out-of-school activities and the funds were covered by the Ministry of Education and Sport.

3.4.1. Please state the number of measures taken for each category below.						
Member State	Corrective measures in form of improvements in systems/procedures	Decision to recover	Abandonment/Waiver of recovery¹⁰²	Failure to recover¹⁰³	Reallocation of money to other expenditure within the same project of the same beneficiary	Other
FI	Aland/Skärgården: 100%. Supplementary information is required. Aid is not paid out unless satisfactory information is received.					
SE	Apart from reports to Ekobrottsmyndigheten (The Financial Crime Authority), corrective measures are applied in the form of improvements in the systems/procedures where payment has not been carried out.	Where payment has been carried out, decisions are made concerning recovery.				
UK¹¹²	5	44			6	13

¹¹² As data concerning irregularities detected following art.4 checks is incomplete, data included in this table should be considered with caution, because it includes for England also irregularities detected following art.10 checks.

3.4.2. If a waiver of a recovery is made or there is a failure to recover, state the possible reasons.	
BE	Generally, the waiver of a recovery or failure to recover is justified by the fact that the irregularity is no longer recognized, or the operator is insolvent.
CZ	Care is always taken to recover amounts that become ineligible, even if they become ineligible at a later date.
DE	Debtor is insolvent to pay.
IE	Not applicable as all monies are effectively recovered.
FR	– Insolvency of the beneficiary (judicial liquidation).
IT	– Bankruptcy, untraceable companies; strong likelihood of lack of assets
LT	<p>The procedure for recovering funds is laid down in the Rules on Recovery for the national budget funds arising from EU financial assistance, the financial mechanisms of the European Economic Area and Norway and co-financing paid through special programmes under the Lithuanian State Budget and (or) used contrary to legislation, registering and entering into accounts such funds, establishing whether a project implementers' debts may be dubious and writing off such debts (hereinafter the 'Rules on Recovery'), approved under Lithuanian Government Resolution No 590 of 30 May 2005 on approving the above Rules on Recovery.</p> <p>The Rules on Recovery lay down that where a project implementer who has been sent a decision on the recovery of funds fails to repay these funds during the period of time specified in the decision, repays only part of the funds or an amount of funds deducted from the next payment request submitted by the project implementer or from other allocations from the State budget, and where this amount is greater than LTL 10 000, and the project implementer is not a budgetary authority, the subrogation right to the recovery of this amount shall, within 30 days of the time limit specified for repayment, be transferred to AB Turto Bankas (hereinafter 'Turto Bankas') under an agreement on the transfer of subrogation rights. Turto Bankas undertakes recovery of the debt in accordance with the agreement on the transfer of subrogation rights, taking into account the procedure laid down in the Rules on Recovery.</p> <p>The Rules on Recovery lay down that the administering authority or the EU Structural Funds implementing authority (where it has been granted authority by the administering authority), or Turto Bankas (where the debt has been transferred under an agreement on the transfer of subrogation rights) shall write off a project implementer's dubious debts where, more than 24 months since the dispatch of the decision to the project implementer, no assets have been found to belong to the project implementer or the assets found are not liquid (where any assets are found and these are sold according to established procedures and part of the debt is covered, only the remaining part of the debt shall be written off); the project implementer has died and liabilities have not been transferred to another person; the project implementer is bankrupt and any assets are insufficient to cover the</p>

3.4.2. If a waiver of a recovery is made or there is a failure to recover, state the possible reasons.	
	<p>debt; the project implementer is in liquidation and any assets are insufficient to cover the debt.</p> <p>A project implementer's dubious debts are written off only where the project implementer is in liquidation and has failed to meet liabilities in respect of the administering authority or the implementing authority (where authorised by the administering authority). Where the project implementer is in liquidation but any rights and obligations are transferred to a successor, the dubious debts may not be written off, except in cases where the assets of the successor to the project implementer's rights and obligations are not sufficient to cover the debts.</p>
HU	The National Development Agency (NFÜ) does not waive recovery. If there is no voluntary performance and the guarantees are not enforceable, a last possibility to recover the amount of aid is to recover it in the form of taxes, which is a task of the tax authority.
MT	<p>No irregularity was discovered in 2005.</p> <p>Nonetheless, as a general principle, the Government of Malta is said to have waived his right of recovery when he refrains from applying within the stipulated period the recovery / remedial action contemplated in the applicable Laws and Regulations.</p>
NL	Bankruptcy.
AT	In most cases this concerns bankruptcies which also had to be reported as irregularities until the end of 2005. The relevant court proceedings are in progress – the number of recoveries is very low.
PL	Not applicable
PT	<p>In general, managing authorities consider that recovery is always possible.</p> <p>A recovery process is only abandoned when, in addition to the voluntary payment by the company and insufficient coverage of the bank guarantee, it is found there are insufficient assets to attach the amount of the debt, i.e. when a tax enforcement is “ruled insufficient” (lack of tangible assets) or under an irrecoverable insolvency proceeding.</p>
SI	The recipient was the Centre for school and out-of-school activities and the funds were covered by the Ministry of Education and Sport
FI	The corrections are always made prior to payment. The resources are never paid out and recovery is therefore not appropriate.
SE	The project owner has acted in good faith and the administrative authority must accept the expense. In certain cases, bankruptcy can be one reason.

3.4.3. How is follow up and correction of irregularities performed?	
BE	<p>Brussels-Capital Region: Withdrawal of certified sums and identification of other eligible expenditure for the same project or reallocation of available funds to other projects.</p> <p>Walloon Region: Follow-up of irregularities is done within each functional administrative unit. Irregularities for which ERDF shares are above €10,000 of ERDF share are first presented to the OLAF inter-administrative taskforce for the Walloon Region before they are communicated to OLAF via the AFIS system (Anti-fraud Information System).</p> <p>German-speaking Community: an ad-hoc check of the corrective measures constitutes a prerequisite for concluding the on-the-spot check.</p>
CZ	<p>Financial corrections are determined.</p> <p>Procedure according to the Methodology of Financial Flows within subject-matter jurisdiction of the MF.</p> <p>DRC: Follow up is listed in the programme complement.</p> <p>JROP: Follow up is undertaken in order to find out whether or not the entity being checked has taken corrective measures. It is undertaken based on previous check results and based on notice/failure to give notice of taking corrective measures. Follow up is undertaken depending on assessment by the head of the control group or the department head or the section director.</p>
DK	<p>The beneficiary is notified of the repayment demand by letter. Irregularities greater than €4000 (2005) are reported to OLAF. Payment is consistently surveyed and collection may be transferred to a collection agency. Amounts paid are recorded and set against the next payment re-quest to the Commission.</p>
DE	<p>By means of recovery procedure or adjustments to the administration and control system in the field concerned.</p>
EE	<p>All identified cases are documented. Cases involving total aid (EU and Estonian targeted funding) of more than EEK 40 000 (€2 556) are communicated in an infringement report to the Ministry of Finance (pursuant to Regulation No 278 of 22 December 2006 https://www.riigiteataja.ee/ert/act.jsp?id=12769549). Reports are submitted quarterly until a definitive solution for the case has been reached.</p> <p>Aid implementers monitor irregularities, with no need for any involvement of MA.</p>
IE	<p>There is a subsequent adjustment and reallocation of expenditure. Managing Authority follows up Intermediate Bodies to complete and submit Irregularity Forms. Irregularities discovered are highlighted at seminars to create awareness of issues arising. All detected Irregularities are adjusted out of a subsequent claim to the Commission. See answer to 3.4.1 in relation to follow up.</p> <p>The MA for Peace II has added the following: “In 2007 SEUPB introduced</p>

3.4.3. How is follow up and correction of irregularities performed?	
	guidance on recoveries which sets out the steps all implementers must follow. Where these are exhausted and recovery has not been affected the accountable department will need to take appropriate legal or write-off action”.
EL	Integrated IT system.
ES	The application for the management of European funds, Fondos 2000, is monitored; all irregularities and checks carried out are recorded and the corresponding financial corrections are made. The state of play as regards the corrections is checked before new expenditure is reported to the Commission.
FR	The management authority of the programme concerned, in consultation with the paying agency, makes the financial corrections and follows up on them.
IT	<p>Follow-up is performed in accordance with the reporting procedure laid down in Articles 3 and 5 of Regulation (EC) No 1681/94 as amended by Regulation (EC) No 2035/05. The Italian authorities report every case of irregularities connected with the use of EU funds when it is detected. Where the conditions of the abovementioned Regulations are met, they fill out the report form and forward it to the Department for EU policies at the Prime Minister's Office, which notifies the European Commission using the AFIS system. At the same time the authorities in question take the administrative measures required of them (suspension – cancellation etc). The Commission is kept abreast of every administrative or judicial development in connection with the irregularity detected by means of the update forms which are forwarded under the abovementioned procedures.</p> <p>Where irregularities have been reported the management and paying authorities:</p> <ul style="list-style-type: none"> – Do not include the amounts covered by the irregularities in the declarations of expenditure and applications for repayment to the European Commission – Assume the risk regarding recovery of the sums unduly paid out, stripping out the payments made from the certification of expenditure.
CY	Quarterly reporting to competent authority.
LV	<p>If it is established that an irregularity has occurred, it is corrected by averting its financial consequences. Financial consequences are averted by withholding a certain amount from the current or next request for structural funds, recovering irregular expenditure, submitting reports on irregularities and informing the managing authority (the supreme State budget institution and the State Audit Office, as well as the Cabinet of Ministers) of irregular expenditure effected by State budget institutions.</p> <p>Monitoring of irregularities takes place with the second-level intermediate body (the Central Finance and Contracting Agency) keeping track of whether the beneficiary is respecting deadlines for repayment of funds. If need be, procedural documents are prepared, the recovery of irregular expenditure ensured and law</p>

3.4.3. How is follow up and correction of irregularities performed?	
	enforcement services engaged to investigate any irregularity.
LT	<p>Pursuant to the Administrative and Financial Rules governing measures contained in Lithuania's 2004–2006 single programming document and projects financed under these measures (hereinafter the 'Rules'), approved under Minister of Finance Order No 1K-033 of 28 January 2004 (Official Gazette 2004, No 19-599; 2005, No 21-667):</p> <ul style="list-style-type: none"> – where an authority ascertains an infringement which, in its opinion, may be rectified, the project implementer is granted a maximum period of 10 working days to rectify the infringement. Where the project implementer fails to rectify the infringement within this period, the Rules provide for sanctions against the project implementer (including recovery of part or all of project funds). – where an authority ascertains an infringement which, in its opinion, is irresolvable or cannot be rectified, the Rules provide for sanctions against the project implementer (including recovery of part or all of project funds). <p>Officials from the authorities responsible for administering infringements regularly monitor the implementation of recommendations or requirements by project implementers both where a fixed period has been laid down for a project implementer to rectify an infringement and where a decision has been adopted to recover project funds.</p>
HU	It differs according to the type of irregularity.
MT	<p>The responsibility for co-ordinating corrective action and the monitoring of such action with respect to irregularities is vested with the Managing Authority.</p> <p>The onus to identify and report any kind of irregularity shall rest with all the key players who are involved in the Structural Funds operations. These include the Paying Authority, the Managing Authority, the Treasury Department, the Department of Contracts, the Final Beneficiaries and the Internal Audit and Investigations Directorate. Every body involved in the implementation of projects financed by the Structural Funds is responsible to report any irregularity it may detect to the Managing Authority copying the Internal Audit and Investigations Directorate – the Audit Body and the Paying Authority.</p> <p>In case of an irregularity which necessitates recovery of funds, the Final Beneficiary shall ensure that recovery is effected. The Managing Authority (MA) will ensure that:</p> <ul style="list-style-type: none"> – Recovery proceedings are initiated and finalised by the Final Beneficiary without unjustified delay (not more than two months); – The Paying Authority (PA) is informed of the reported irregularities which necessitate a recovery of funds and of developments made in the recovery of funds by the Final Beneficiary.

3.4.3. How is follow up and correction of irregularities performed?

The PA will keep an account of amounts recoverable from payments of Community assistance already made according to Article 8 of Regulation (EC) 438/2001.

Following recovery, the PA will repay the irregular payments recovered, together with interest received on account of late payment, by deducting the amounts concerned from its next statement of expenditure and request for payment to the Commission, or, if this is insufficient, by affecting a refund to the Commission.

In an Annex to the fourth quarterly report on irregularities sent to the Commission by the Internal Audit and Investigations Directorate (IAID), the PA will prepare a statement of the amounts awaiting recovery at that date, classified by the year of initiation of the recovery proceedings.

(1) The PA has made the following arrangements to maintain a debtors' ledger and to deduct amounts recovered from expenditure to be declared:

- A separate ledger will be kept for each Structural Fund showing the details of the individual debtor and cross reference to the appropriate file pertaining to the individual project.
- Any amount recovered would be set off in the appropriate debtor's ledger and recorded in the individual project file.
- Data would also be kept regarding the receipts of the amounts recovered.

It is pertinent to point out that Article 39 of Council Regulation (EC) No. 1260/1999 provides that the Member States shall make the financial corrections required in connection with the individual or systemic irregularities. The Manual of Procedures for Structural Funds 2004–2006 distinguishes between 3 types of financial corrections:

- Specifically Quantified Corrections – Corrections made where a quantifiable irregularity is detected for an individual operation or several individual operations.
- Extrapolated Corrections – Corrections applicable where a quantifiable error has occurred and there is a high probability that the irregularity has occurred also in other operations of the same type or throughout a measure or programme.
- Flat-Rate Corrections – Corrections applicable with respect to individual breaches or systemic irregularities that are not in practice quantifiable such as those resulting from a failure to undertake checks effectively to prevent or detect irregularities.

NL

Irregularities are recorded in the irregularity registration system. The next Article 4 check (involving a progress report, a final report, an on-the-spot inspection or a 5% check) involves checking whether the observed irregularity still requires

3.4.3. How is follow up and correction of irregularities performed?	
	<p>follow-up, or whether it has already been resolved.</p> <p>Recovery claims are recorded in an appropriate administrative system. Measures are taken at regular intervals to assess the state of affairs. This may result in a reminder, a summons or some other communication.</p>
AT	Every reported irregularity has to be dealt with – either by recovery, reduction of eligible expenditure or introduction of a 5(2) procedure (special report).
PL	Withholding refunds, the performance of checking control measures (on-the-spot and desk-based), issue of post-control recommendations.
PT	<p>Irregularities detected during monitoring of the project are corrected during validation of the expenditure.</p> <p>As soon as an irregularity has been detected, the prosecutor is authorised to initiate adversary proceedings. If the irregularity is confirmed, the amount of the debt resulting from the irregularity is calculated and a demand made to return it. If the amount is not returned voluntarily, the appropriate judicial proceedings are filed. Monitoring generally occurs through telephone/e-mail/fax contacts and notifications.</p> <p>CCDR: 1ST level control and return application. If the amount is not returned, it is deducted from other payment application.</p>
SI	The instructions of the management and control systems for the use of the structural funds are updated with preventive and corrective measures based on the irregularities and deficiencies detected.
SK	<p>The state of individual irregularities is constantly followed up in the ITMS and by individual implementation managers of the MA PSOP when PSOP measures are subjected to verification. Irregularities are corrected either by requesting a refund of the irregular funds, or by restoring the situation to what it was before the irregularity arose</p> <p>The manager responsible for irregularities keeps a database of irregularities, which is used to monitor the resolution status of irregularities – the database is updated at least once per month, and if it is found that the irregularity was not corrected within the time set, the manager warns the final beneficiary/recipient of their obligation to refund the money.</p> <p>The Paying Authority and Paying Unit: keep a record of selected debtors and the debts of final beneficiaries/recipients because of irregularities and financial correction</p> <p>The MA cooperates with the Paying Authority and the Paying Unit in resolving irregularities</p> <p>On the basis of the SF financial management system: Reports on confirmed</p>

3.4.3. How is follow up and correction of irregularities performed?	
	<p>irregularities, recording in ITMS</p> <p>For correcting irregularities, the SRTA gives the final beneficiary/recipient a deadline for remedying the irregularity. The final beneficiary/recipient gives written notification of the remedy. The verification group carries out on the spot checks to ensure the irregularity has been remedied.</p> <p>Preliminary financial control (formal, material and mathematical verification of a payment request, checks on the site of the project, checks for non-duplication of expenditure) Request to repay irregular funding.</p> <p>In 2005 the occurrence of irregularities was prevented by providing training for the final recipients. In subsequent years a variety of measures were taken to correct irregularities by improving information for final recipients.</p> <p>Verification of the status of irregularities on the basis of irregularities recorded in the ITMS and Detected Irregularities Reports entered into the ITMS.</p>
FI	<p>The intermediate body is under national law responsible for the monitoring of actions, control and recovery proceedings. Procedures are specified in the description of the management and control system of each intermediate body. Intermediate bodies inform the certifying authorities and the Ministry in their administrative sector according to EC legislation of any irregularities, recoveries and other measures taken in order to rectify the irregularities detected.</p> <p>Information is recorded on the Fimos2000 information system. Those intermediate bodies whose information is not included in Fimos have to submit the information to the paying authority.</p> <p>The ineligible part is deducted from the payment made to the beneficiary on the basis of the payment application. If the irregularity is detected at a later stage, the amount can be deducted from a future payment. Before the final payment, the project is examined as a whole. Each Ministry controls in its administrative sector that the financing authorities take the necessary measures. The authority that granted the assistance is primarily responsible for any measures: acknowledgement, recovery, transfer of the project under national funding. Skärgården : Supplementary information required. Aid is not paid out unless satisfactory supplementary information is received.</p>
SE	<p>Re-crediting is followed up by the administrating authority. Cases reported to Ekobrottsmyndigheten (The Financial Crime Authority) are also followed up.</p>
UK	<p>For England and Wales - day-to-day action by appropriate offices. Recovery usually from next claim or if not feasible, a recovery order is issued to the grant recipient, who is not permitted to reuse the ineligible amount. CLG request quarterly updates from the GOs.</p> <p>In Northern Ireland, projects are informed verbally and in writing. Adjustments made, moneys recovered or clawed back. Database adjusted to record details.</p>

3.4.3. How is follow up and correction of irregularities performed?	
	Those above threshold are notified to Commission for submission to OLAF (if required).
	Reviewed and investigated by the Managing Authority concerned in Scotland

3.4.4. What action is taken to deal with high rates of irregularity or apparently systemic irregularities (e.g., extrapolation, increase in intensity of checks)?	
BE	Additional checks, more on-the-spot checks. Walloon Region: the OLAF taskforce for the Walloon Region provides tips to its members on how to avoid a high rate of irregularities (reminder of the importance of first level checks, respect of audit trail, etc.).
CZ	<p>As of 31 December 2007, only two confirmed irregularities with closed investigation – see 3.3.2.</p> <p>Procedure according to the Methodology of Financial Flows (systemic irregularities during the programming period 2007-2013 are provided for on p. 29).</p> <p>DRC: No irregularities were detected.</p> <p>Interreg: Increase in intensity of checks.</p> <p>JROP: As JROP has not found a high irregularity rate or apparently systemic irregularities, no special measures needed to be taken to reduce irregularity rate.</p>
DK	<p>The general analysis of the causes of irregularities has prompted a greater input concerning aid conditions etc. (e.g. the brochure "Good Advice about Regional Fund Projects"), which is sent to the beneficiaries. Data about project guidelines etc. serve to explain the rules on aid and their application in greater detail.</p> <p>The importance of the aid rules is also strongly impressed on the project accountant.</p> <p>The beneficiaries are otherwise closely monitored by the administrative authorities while the project manager or others is/are required to provide an audit trail as proof of accounting procedures and in-house inspection.</p>
DE	Adjustment of checking strategy/risk analysis in regard sampling. Increasing intensity of checks.
EE	If need be, a greater number of such projects are checked.
IE	Increase in the intensity and depth of checks. If an error is of serious systemic nature revised guidance will be issued and further training where relevant and appropriate will be provided
EL	Recommendations in audit reports and general instructions based on findings or documents, questions.
ES	When checks are carried out on a sample and systemic irregularities are identified, the rest of expenditure is analysed in relation to the irregularity detected, and if this is difficult, a flat-rate assessment is carried out. In the event of high indexes for non-systemic irregularities, checks were carried out more intensively.

3.4.4. What action is taken to deal with high rates of irregularity or apparently systemic irregularities (e.g., extrapolation, increase in intensity of checks)?

FR	Not applicable. This is because the Article 4 audit is carried out systematically in France before each aid payment (advance and balance).
IT	<p>Adoption of user manuals to make everyone aware of the procedures for conducting checks.</p> <p>Where systematic irregularities are discovered level I and level II checks are stepped up and closer checks are conducted on all persons involved.</p>
LT	<p>In accordance with Lithuanian Minister of Finance Order No 1K-315 of 25 September 2006 on the creation of a working party, an infringement monitoring working party was established, comprising representatives of all institutions administering EU Structural Funds, and the following tasks were assigned to it:</p> <ul style="list-style-type: none"> – sharing experience and examples of good practice in establishing infringements relating to the use of EU Structural Funds, Cohesion Fund and co-financing resources; – examining issues concerning the ascertainment of infringements relating to EU Structural Funds, Cohesion Fund and co-financing resources; – where necessary, putting forward proposals for improving infringement administration procedures. – The infringement monitoring working party performs the following functions: <ul style="list-style-type: none"> – discusses issues relating to the application, clarification and amendment of legal enactments governing infringement administration; – puts proposals to the managing authority on improving procedures for dealing with infringements; – analyses information relating to infringements ascertained by authorities; – shares experience and examples of good practice in dealing with infringements; – discusses issues relating to managing the risk of illegal use of funds; – discusses issues relating to infringement prevention; – performs other functions relating to dealing with infringements. <p>With a view to dealing with high rates of irregularity or apparently systemic irregularities, the systems for dealing with infringements is continually being improved in line with the working party's proposals.</p>

3.4.4. What action is taken to deal with high rates of irregularity or apparently systemic irregularities (e.g., extrapolation, increase in intensity of checks)?	
HU	In case of frequent irregularities the intensity of controls is increased and projects possibly involved are reclassified to a higher-level risk group of projects. In case of systemic irregularities the NFÜ Coordinating Managing Authority in cooperation with the relevant department or unit provides for a normative environment necessary to remedy the irregularity. It should be noted that most irregularities are individual and systemic irregularities rarely come up.
MT	Amend Manual of Procedures where applicable. Issue explanatory circulars to the stakeholders involved. Hold meetings with relevant stakeholder/s to discuss and find a permanent solution.
NL	National Action Plan, report by Directorate General for Regional Affairs dated 31 January 2008, measures to improve matters.
AT	<p>The general rule is that systemic problems are not necessarily irregularities within the meaning of the Regulation – administrative errors are not always irregularities.</p> <p>In the case of systemic deficiencies corrective measures are taken and this may well lead to financial corrections. The corrected amounts may in some circumstances be reported as irregularities. However the AFIS system is not designed for such reporting.</p>
PL	<p>IROP: The Managing Authority IROP, commencing from August 2006, organises quarterly meetings on fraud and financial abuse for Implementing and Intermediate Institutions. The purpose of these meetings is to exchange experience and knowledge on the topic – controllers from Article 4 participate in the meetings. Furthermore, MA IROP organises training on control, irregularities and consolidation of EU and Republic of Poland financial interests – trainings are organised with the participation of MF representatives, the Police, controllers from Article 10.</p> <p>In order to improve control, increase its effectiveness and standardise binding principles in this respect under IROP, MA IROP drew up in 2006 Guidelines on Checks from Article 4 (updated on 31 July 2007). Furthermore, it was recommended to carry out cross-checking at the Beneficiaries implementing a number of projects from structural funds.</p> <p>In order to improve public procurement checks training was organised on the Public Procurement Act, guidelines were drawn up on public procurement checks together with check lists, cooperation was started with the Public Procurement Office.</p> <p>Concerning the intensity of checks, the Implementing and Intermediate Bodies check 100% of secondary sources (documentation attached to the beneficiary's payment application).</p>

3.4.4. What action is taken to deal with high rates of irregularity or apparently systemic irregularities (e.g., extrapolation, increase in intensity of checks)?

	<p>Furthermore, system simplifications and improvements have been carried out:</p> <p>In January 2006 a number of simplifications were also carried out concerning confirmation of expenditure incurred by the Final Beneficiary under Measure 2.2. A new form of paying out grants to pupils was introduced in keeping with suggestions of DG EMPL representatives (the obligation that Measure 2.2. Final Beneficiaries present copies of invoices has been replaced by the obligation to present certificates signed by school Directors confirming that a pupil has participated in the educational course). Guidelines concerning this improvement were consulted in an ongoing fashion with Regional representatives and were submitted to the Regions. These changes were accepted by the IROP Monitoring Committee and came into force on the day of entry into force of the IROP Addendum.</p> <p>Concerning on-the-spot checks:</p> <p>From the beginning of implementing IROP to mid-2006 institutions involved in the implementation of IROP had the obligation to carry out on-the-spot checks of 100% of completed projects. In June 2006 the IROP Managing Authority made it possible to carry out on-the-spot checks on a sample of projects under Priority 2 – sample checks could be carried out on a sample of projects chosen on the basis of risk analysis described in the selection methodology for on-the-spot samples of projects. Concerning Priorities 1 and 3 it is possible to carry out a check on a sample, on condition that an Annex is added to the project subsidy contract base don the obligatory model of December 2006. In practical terms, the majority of institutions involved in implementing IROP carried out on-the-spot checks after the completion of the project. In the event of there being suspicion that the irregularity is of a systemic character the check becomes more intensive.</p> <p>CI INTERREG: In the event of the irregularity coefficient increasing, the checks on the threat of irregularity become more intensive.</p> <p>SOP Transport: For projects with the largest number of irregularities (both in terms of number and magnitude) the checks become more intensive (frequent).</p>
PT	<p>Stepping-up checks, demarcation of error perimeters and respective quantification.</p> <p>Tighter demands in the initial assessment of the project and reinforced monitoring of the project.</p>
SI	<p>An increase in the intensity of checks, or a request to correct the irregularity, failing which the recipient is asked to return the funds.</p>
SK	<p>Systemising checks, increasing the intensity on the basis of risk analyses and communications of the intermediate bodies, and of the final beneficiaries/recipients themselves.</p>

3.4.4. What action is taken to deal with high rates of irregularity or apparently systemic irregularities (e.g., extrapolation, increase in intensity of checks)?

	<p>Increasing the intensity of spot checks, updating MA handbooks and guidelines for final beneficiaries/recipients, issuing methodological aids on the most frequent errors in ESF projects, training for final beneficiaries/recipients.</p> <p>Increasing the intensity of checks, direct consultation and operational decision of problems with the final beneficiary, 100% verification of payment requests and on the spot checks within the scope of final payment requests, when the project is verified as a whole.</p> <p>Intensive communication with the final beneficiary/recipient, more frequent checks.</p> <p>Increasing the intensity of on the spot verification, closer communication with the final beneficiary/recipient to prevent failings and irregularities from arising.</p> <p>Increasing the intensity of checks.</p> <p>Despite the low level of irregularities, measures aimed at improving the information of final beneficiaries, more detailed physical checks of project implementation, and refunding non-eligible funding.</p> <p>Assignment as a risk project for the purpose of ongoing intensive verification of compliance with the terms of the NRFC Agreement.</p>
<p>FI</p>	<p>Mainly by preventive measures. Thus, the primary measures are control and guidance according to the principle of good governance to keep the number of irregularities as low as possible.</p> <p>A so-called steering group is established, for instance for projects under the Regional Development Act with considerable estimated budgets or those receiving funding from various sources, as well as interregional projects, and if necessary, also in other cases. The task of the steering group is, first and foremost, to act as a support group for the beneficiary. Members of the steering group must include a sufficient number of experts, including representatives of the financing parties (supervisor) and project personnel. The steering group follows the implementation of the project in relation to the project plan and financing decision and, if necessary, suggests amendments to the implementer of the project. The steering group must evaluate the results obtained by the project in relation to the objectives set for it and, for its part, develop procedures to enhance the implementation of the project. Depending on the nature of the project, it is the task of the steering group to advance the project networking. The steering group must also approve the final report of the project before it can be submitted to the authorities. In addition, the steering group deals with, for example, interim reports, payment application and suggested amendments.</p> <p>In preparing the financing decisions, the backgrounds of the project actors are checked, including financial resources and other conditions for implementing the project. In the evaluation of expertise and solvency, for instance, the applicant's</p>

3.4.4. What action is taken to deal with high rates of irregularity or apparently systemic irregularities (e.g., extrapolation, increase in intensity of checks)?	
	<p>credit information and familiarity with financial management are checked. Especially a beneficiary who has not previously been granted aid from the structural funds is familiarised with the operational principles.</p> <p>Details with the relevant instructions contained in the verification form, which is completed during the processing of the payment application, are discussed as applicable with the implementer of the project in the start-up meeting or equivalent in order for the implementer to acknowledge its obligations beforehand.</p>
SE	The administrative authority and the responsible Article 15 organ use information in their control and audit procedure work. Reports are generally submitted to Ekobrottsmyndigheten (The Financial Crime Authority).
UK	<p>England: Increased checks/monitoring. Meetings/discussions with organisation about the issues and recommendations to improve systems etc. Some GOs have taken action through workshops, forming monitoring/irregularities committees and/or pre-engagement visits when the terms and conditions of grant are explained and the likely actions if grant recipients fail to comply. This latter point has proved very successful in GO East.</p> <p>Northern Ireland: Revised guidance issued and checks were increased.</p> <p>Scotland: Targeting of projects / applicants likely to be affected.</p>

3.5. Information to final beneficiaries.	
Final beneficiaries are generally informed of their legal obligations and rights. Are they also informed about the possible consequences of the found irregularities? (Yes/No). If YES, by which means are they informed?	
BE	Yes. Granting convention, <i>Vademecum</i> and organization of project follow-up committees
CZ	<p>Yes. By the intermediate body in the course of processing applications, or through conditions of allocating contributions (part of the Decision to provide a subsidy).</p> <p>Interreg: Conditions of providing a subsidy/financing agreement (applicable section on the procedure to be taken by the Managing/National Authority in case of finding suspected irregularity).</p> <p>Potential applicants are already informed of irregularities upon submitting project applications (and beneficiaries during implementation) as implied by Instructions for subsidy applicants and beneficiaries.</p> <p>JROP: Final beneficiaries are given advance notice of irregularity consequences in the Conditions of the Decision to provide a subsidy and instructions for applicants and instructions for beneficiaries.</p> <p>In case of detecting a specific irregularity, final beneficiaries are informed about the detection of and the subsequent measures to investigate and rectify the irregularity via specific documents, such as check reports/certificates, copies of notices for the tax office and so on.</p>
DK	Yes. The letter of authorisation contains relevant information.
DE	Principles of the law on administrative procedures are sufficiently well known. See §§ 48 and 49 General Administrative Procedures Act(s) of the Länder.
EE	Yes. Verbally and/or in writing. The order sets out a list of the activities which the beneficiary failed to carry out by the deadline, the measures required and all rights and obligations.
IE	Yes. Through financial management training seminars, in writing and also on site-visits. A series of on-site pre-closure visits are currently under way both at Managing Authority and Intermediate Body level which facilitates an even greater level of communication on common type errors which could potentially lead to irregularities.
EL	Yes. Final beneficiaries are fully informed of their legal obligations and of the consequences of possible irregularities as a result of failure to comply with the obligations undertaken in return for financing from the operational programme in the integration decision. Whenever an irregularity is identified during on-the-spot administrative verifications by the managing authority, the final beneficiary is advised of the consequences of the irregularities (letter or audit results sent to beneficiary setting out all the findings of the verification and the proposed

3.5. Information to final beneficiaries.	
Final beneficiaries are generally informed of their legal obligations and rights. Are they also informed about the possible consequences of the found irregularities? (Yes/No). If YES, by which means are they informed?	
	consequences).
ES	Yes. In writing.
FR	Yes. The beneficiaries are informed in the acts awarding ERDF funding, which specify their rights and obligations and the scope of their responsibilities.
IT	Yes. The relevant EU, national and regional rules are referred to in the forms, information sheets and notices setting out the final beneficiary's obligations and the consequences of any failure to meet them. Reference is made to these documents in the notification that the funding has been awarded.
CY	Yes. Via terms in the grant letter.
LV	Yes. In accordance with contracts concluded on project implementation and the provision of ERDF co-financing, the intermediate body has the right to reduce the amount of ERDF co-financing that needs to be paid back or to refuse to pay it out at all, or alternatively to request that all or part of the ERDF co-financing that the intermediate body has already paid be paid back, should it ascertain that a funding beneficiary has not complied with European Community or Latvian legislation on the implementation of structural funds. The contract indicates that the beneficiary of funding from a structural fund must implement the relevant project in accordance with European Community and Latvian legislation. By signing a project implementation contract, the funding beneficiary affirms that not only has he or she become acquainted with the terms, but also with the requirements of regulations pertaining to the Structural Funds. For this reason it can be considered that the beneficiary is also aware of the consequences of permitting irregularities.
LT	<p>Yes. The procedure for informing funding recipients of their legal obligations and rights and the possible consequences of financial infringements is laid down in the Administrative and Financial Rules governing measures contained in Lithuania's 2004–2006 single programming document and projects financed under these measures (hereinafter the 'Rules'), approved under Minister of Finance Order No 1K-033 of 28 January 2004 (Official Gazette 2004, No 19-599; 2005, No 21-667).</p> <p>Paragraph 213 of the Rules lays down that where an authority ascertains an infringement which, in its opinion, may be rectified, the project implementer is granted a maximum period of 10 working days to rectify the infringement.</p> <p>Where, in the opinion of the authority, an infringement is irresolvable or cannot be rectified, the project implementer may be subject to the sanctions laid down in paragraph 213 of the Rules (including financial sanctions).</p> <p>Paragraph 217 of the Rules lays down that a project implementer must be notified immediately of any decision concerning an infringement.</p>

3.5. Information to final beneficiaries.	
Final beneficiaries are generally informed of their legal obligations and rights. Are they also informed about the possible consequences of the found irregularities? (Yes/No). If YES, by which means are they informed?	
LU	Yes. In the grant agreement.
HU	Yes. Following the closure of an irregularity procedure the NFÜ informs the beneficiary in written form, by post.
MT	<p>Yes.</p> <ul style="list-style-type: none"> – The Letter of Offer stipulates the legal obligations of the Final Beneficiaries. – The Manual of Procedures for Structural Funds 2004–2006 issued by the Managing Authority was distributed to all Final Beneficiaries. Additionally the MA informs the Project Leader on updates issued by the MA itself via circulars or other means. – The Managing Authority organised training seminars explaining to the Final Beneficiaries their legal obligations and rights including those related to irregularities.
NL	Yes. Brochures, information meetings, inspections and training courses for project applicants.
AT	Yes. The consequences are set out in the grant agreements and the general conditions for beneficiaries of ERDF funds.
PL	<p>Yes.</p> <p>IROP: There are provisions in the model project subsidy contracts defined by MA IROP, which inform the Beneficiary about the consequences of detected irregularities and obligate the Beneficiary to remove the irregularities and to inform institutions being a party to the subsidy contract of the existence of irregularities. In the contract there is a description of procedure for recovering unduly collected means or means collected at an excess level together with interest as in tax in arrears. In keeping with the contract, failure to remove the irregularities within the set period may lead to the project subsidy contract being terminated.</p> <p>In the event of irregularities being discovered during verification of secondary sources the Beneficiary is informed about the consequences by means of a letter on the verification results. However, in the event of irregularities being discovered as a result of an on-the-spot check the Beneficiary receives post-control information and post-control recommendations, by means of which he is informed of the consequences of the discovered irregularities.</p> <p>Furthermore, the Intermediate Body and Implementing Institution organise training for the Beneficiaries, during which the Beneficiaries are informed of the</p>

<p>3.5. Information to final beneficiaries.</p> <p>Final beneficiaries are generally informed of their legal obligations and rights. Are they also informed about the possible consequences of the found irregularities? (Yes/No). If YES, by which means are they informed?</p>	
	<p>principles of the Programme, amongst others, of the principles of expending resources.</p> <p>CI INTERREG: Information is submitted during training organised by the Regional Offices and as part of working contacts with Intermediate Bodies.</p> <p>SOP Transport: Basic information is contained in every subsidy contract (also relating to the manner of calculating interest on inappropriately expended means).</p> <p>OP – Technical Assistance: Part of the entries (concerning financial consequences) are contained in the subsidy contracts/decisions. Furthermore, TAOP 2004-6 beneficiaries are the most important institutions in the structural fund implementation system, they search for knowledge in an ongoing fashion whilst creating, managing and implementing the system.</p> <p>SOP ECG: Appropriate entries are contained in the contents of the subsidy contract and guidelines for beneficiaries.</p>
<p>PT</p>	<p>Yes. In generic terms: Written contract, official letters, e-mails containing guidance, rules and procedures regarding the measure. Beneficiaries are kept informed throughout the candidacy and through an appropriate official letter in the event of an irregularity. CCDR: Official letter.</p>
<p>RO</p>	<p>Yes. The beneficiaries are informed of their rights and obligations, as well as regarding irregularities and the consequences thereof within the Applicant's Guide and the financing contract model. The beneficiaries assume these obligations when signing the financing contract.</p>
<p>SI</p>	<p>Yes. The possible consequences of any irregularities detected are mentioned in the co-financing agreement.</p>
<p>SK</p>	<p>Yes. The rights of final beneficiaries/recipients are set out in the NRFC Funding Agreement. During on the spot verification, the team informs the final beneficiary/recipients of possible sanctions and consequences so that they are aware of them and can prevent them. The final beneficiary/recipients are also informed by e-mail or telephone.</p> <p>Contractually within the scope of providing information in relation to the implementation of ŠF projects, in the Non-Refundable Financial Aid Agreement and at final beneficiary/recipient training sessions. Where ineligible expenditure is found, the recipients are warned in the course of irregularities in writing, beneficiaries are informed of the SF Financial Management Concept and via the Finance Ministry website, beneficiaries are informed in personal consultations and verifications of public procurement and on the spot checks.</p> <p>Agreements with the final beneficiary/recipient contain provisions that deal with sanctions for irregularities, and where disputes arise project managers consult</p>

<p>3.5. Information to final beneficiaries.</p> <p>Final beneficiaries are generally informed of their legal obligations and rights. Are they also informed about the possible consequences of the found irregularities? (Yes/No). If YES, by which means are they informed?</p>	
	<p>with final beneficiaries/recipients, as well as members of the control group, warn them of potential irregularities and thereby help avoid them.</p> <p>Agreement on the provision of NRFC, handbooks for final beneficiaries/recipients.</p> <p>Training for final beneficiaries through public information published on the managing authority website, and personal consultations.</p> <p>The rights of final beneficiaries/recipients are set out in the NRFC Agreement. Before signing NRFC Agreements, the final beneficiaries/recipients are informed of their main duties as regards fulfilment. Recipients are informed of failures to meet their obligations (late submission of data, e.g. for monitoring) by telephone or e-mail. In the case of further failure to meet their obligations under the NRFC Agreement, the recipients are given written warning.</p>
<p>FI</p>	<p>Yes. It is noted in general in the financing decision that if the terms set in the decision are not complied with, the payments can be suspended and the aid already paid can be recovered with interest. In addition, measures will be taken, if necessary, to bring charges in order to impose criminal sanctions.</p> <p>The terms of the financing decision also include the obligation to immediately inform the financing authority of any changes and obstacles to implementing the project according to the decision under the threat of discontinuance and recovery of payments. The grounds for lawful recovery have also been specified in the decision.</p> <p>During the programming period of 2007–2013, a standard electronic financing decision form will be used, which combines the key obligations of the beneficiary and, furthermore, addresses, for instance, the exceptional and severe regulation in respect of the permanent nature of the operations and the monitoring thereof.</p> <p>Åland: In the financing decision, the steering committee decides on the funding allocated to the project and the Secretariat's technical project checks always provide information on the provisions (legal and administrative) the project must comply with in order to receive funding from the European Regional Development Fund (ERDF). The legal provisions to be listed are the various Council and Commission regulations regarding financing within the framework of the structural funds, the provincial government's policy decision regarding payment obligations and eligible expenditure, which are co-financed from the structural funds, decisions on public procurement, etc.</p> <p>The project has also been continuously informed by providing information when the Secretariat has participated in the meetings and in the project meetings arranged for the project actors.</p> <p>Information is also available on the programme's homepage www.skargarden.com.</p>
<p>SE</p>	<p>Yes. In the conditions supplement that accompanies the decision concerning the</p>

3.5. Information to final beneficiaries.

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	project.
UK	Yes. Grant Offer Letter and verbally.