



EUROPEAN COMMISSION  
EUROPEAN ANTI-FRAUD OFFICE (OLAF)

Directorate D Policy  
Unit D.2 Fraud Prevention, Reporting and Analysis

## Practical steps towards the drafting of a National Anti-Fraud Strategy

Developed by a working group of Member States' experts, directed and coordinated by the Fraud Prevention, Reporting and Analysis unit in the European Anti-Fraud Office

*DISCLAIMER:*

*This is a working document drafted by a group of Member States' experts with support from the European Anti-Fraud Office (OLAF). It is intended to help Member States to draft a national anti-fraud strategy focusing on the preparatory phase. **This document is not legally binding on Member States.***

*NOTA: Even though the working group was co-ordinated under the umbrella of the ESI funds section of the COCOLAF Fraud Prevention subgroup, the result achieved does not only cover the ESI funds. Most of the ideas put forward are of horizontal nature; therefore they are applicable across all the expenditure budgetary sectors.*

## **Table of contents**

|  |    |
|--|----|
| Introduction .....   | 3  |
| 1. Preliminary steps .....   | 5  |
| 2. Fraud Prevention .....  | 13 |
| 3. Fraud Detection .....   | 24 |
| 4. Investigation and Prosecution.....                                      | 36 |
| 5. Recovery and Sanctions .....  | 50 |
| Annexes .....  | 53 |
| Annex 1: Technical notes and glossary.....                                 | 54 |
| Annex 2: Process of the elaboration of a national anti-fraud strategy..... | 55 |

## Introduction

This working document was drafted in the framework of COCOLAF<sup>1</sup> Fraud Prevention Group through a collaborative work process involving experts from the Member States, the European Anti-Fraud Office (OLAF) and the Commission authorising services responsible for European Structural and Investment Funds (ESIF). The objective of this work process is to develop the cooperation and collaboration between national authorities and Commission services by drafting practical guide that the Member States and the Commission can use as benchmark, administrative tool, guidance and support to strengthen their anti-fraud measures/strategies.

In 2014, the previous working group drafted the 'Guidelines for national anti-fraud strategies for European Structural and Investment Funds (ESIF)<sup>2</sup>. Following to the guidelines, Member States decided to continue to collaborate further on the topic of the national anti-fraud strategies (NAFS) focusing on practice. This working document is therefore entirely practice oriented and intends to help Member States to draft their national anti-fraud strategies starting with the so-called 'preparatory phase'<sup>3</sup>.

The 'preparatory phase' is by far the most important phase of the strategy<sup>4</sup>. The aim of this phase is to properly assess the current situation of a country regarding the anti-fraud measures in place taking into account all four stages of the anti-fraud cycle and the connections between them. This will provide a basis for the decisions to be made in the subsequent phases of the strategy, i.e. setting the objectives, specifying indicators and drafting the related action plan<sup>5</sup>.

This working document provides Member States with a substantial yet non-exhaustive list of elements to consider with regard to each stage of the anti-fraud cycle. Furthermore, a separate list contains the initial steps ('preliminary steps') to make, such as setting up the institutional framework and co-ordination of the NAFS, deciding on the communication method between the authorities involved, defining the legal base for the strategy etc.

Given that the aim of the working group was to develop a practical and useful tool, the lists are presented in the form of an xls document (inserted below and attached separately in its workable format). Member States may use these structured lists as inspiration and as starting point for the preparation of their own anti-fraud assessment. (For further explanation to the xls document, please see Annex 1 - technical notes and glossary.)

---

<sup>1</sup> Advisory Committee for the Coordination of Fraud Prevention

<sup>2</sup> Ref. Ares(2015)130814 - 13/01/2015

<sup>3</sup> See in detail: 'Guidelines for national anti-fraud strategies for European Structural and Investment Funds (ESIF)', pages 12-18.

<sup>4</sup> See Annex 2, flowchart on the process of the elaboration of a national anti-fraud strategy

<sup>5</sup> The stages of the anti-fraud cycle are: 1-fraud prevention, 2-fraud detection, 3-investigation and prosecution, and 4-recovery and sanctions.

However, it is to be clarified that there is no 'one size fits all' recipe for drafting a national anti-fraud strategy; it is for the Member States to assess their current anti-fraud situation, set their own goals and prepare their own tailor-made action plan. Moreover, Member States may choose to create sectoral anti-fraud strategies or set up an overarching national strategy covering the overall budget.

Yet, Member States experts participating in the ESIF 2015 working group pulled together their extensive experience and knowledge in order to help Member States concretely and practically to launch the NAFS process.

## **1. Preliminary steps**

The list of the 'preliminary steps' was prepared by those experts whose countries have already or currently are on the way to set up a national anti-fraud strategy. Therefore it is based on concrete experience with regard to the preparation of a NAFS.

The main issues to address are following:

Determine the legal basis for the NAFS

Determine the responsible body co-ordinating the elaboration of NAFS

Internal cooperation: determine the other bodies involved in the elaboration of NAFS

External cooperation (e.g. with OLAF)

Determine the scope and extension of the NAFS

Setting an indicative calendar for the preparation of the NAFS

Drafting a communication strategy for the NAFS

SETTING THE FRAMEWORK FOR NAFS - PRELIMINARY STEPS

| AREA   | TOPIC   | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY RESPONSIBLE FOR IMPLEMENTATION | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
|--|---|--|---|--|-----------------------|--------------------------------------|----------------------------|
| <p><b>INSTITUTIONAL SET-UP AND COOPERATION</b></p> | <p>Responsible body co-ordinating the elaboration of NAFS</p> | <p>Determine and designate the most suitable national institution/body/authority responsible for the coordination of the NAFS. This institution may be responsible for the elaboration and eventually the monitoring of the process.</p> | <p>AFCOS or another one . Which one? Where is the entity located?: Head of State Office, Government (Ministry), Parliament, other (specify)<br/>Give a brief description of the organization and staff of the entity<br/>Does the service have a broad overview at EU and national level of both the whole system of ESIF and the anti-fraud measures currently in place?</p> |  |                       |                                      |                            |
|  |   | <p>The coordinating role is stipulated in the legal framework (e.g. Law, Government Decision) or in a cooperation agreement between institutions involved in PIF at national level?</p>  |   |  |                       |                                      |                            |
|  |   | <p>Determine what are the responsibilities of and competencies assigned to the national institution responsible of the elaboration of NAFS? (Depending on the legal status and hierarchical level of the entity)</p>                     | <p>Competencies:<br/>- Decision and executive powers<br/>- Only coordination; should this be the case,<br/>o Is the hierarchical superior taking the decisions concerning the NAFS? (e.g., to solve discrepancies during the different stages of the elaboration of the NAFS)<br/>o Is there a Committee or similar body to take the decisions?</p>                           |  |                       |                                      |                            |
|  |   | <p>Designate an expert team responsible within the national institution responsible for the coordination of the elaboration of the NAFS</p>  | <p>Expert team should include experts from all stages of AF cycle<br/>Is the national service equipped enough to mobilise experts from the different stakeholders, covering the entire anti-fraud cycle?<br/>Is the national service equipped enough in terms of (human) resources?<br/>How can synergies between the various services and experts be exploited best?</p>     |  |                       |                                      |                            |
|  |   | <p>Regular meetings to be held between the participating authorities (at least on a quarterly bases)</p>   |   |  |                       |                                      |                            |
|  |   | <p>Clear terms of reference to be given to the participating authorities</p>   |   |  |                       |                                      |                            |
|  |   | <p>Setting up of sub-committees might be necessary in order to focus on specific areas</p>   |   |  |                       |                                      |                            |
|  |   | <p>Nomination of deputies in order to ensure business continuity</p>   | <p>Each representative of the necessary authorities should nominate a deputy (i.e. a shadow) to ensure Business Continuity Planning (BCP)</p>   |  |                       |                                      |                            |

## SETTING THE FRAMEWORK FOR NAFS - PRELIMINARY STEPS

| AREA                                 | TOPIC   | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY RESPONSIBLE FOR IMPLEMENTATION   | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS  |
|--------------------------------------|---|---|---|--|-----------------------|--------------------------------------|---|
| INSTITUTIONAL SET-UP AND COOPERATION | Other bodies involved in the elaboration of NAFS / Internal cooperation | Identify the national institutions that need to be involved in elaborating NAFS, covering the entire anti-fraud cycle.            | <ul style="list-style-type: none"> <li>o Managing Authorities</li> <li>o Certifying Authorities</li> <li>o Audit Authorities</li> <li>o AFCOS</li> <li>o Coordination body</li> <li>o Intermediate bodies</li> <li>o Regional-local levels (when not MA/IBs)</li> <li>o IMS reporting authority</li> <li>o Judicial authorities and Public Prosecutor's Office</li> <li>o Judicial police/ investigative authorities</li> <li>o Legal services</li> <li>o Ministries (Foreign Affairs -coordination role in EU issues Ministry for the Public Administration -coordination in the public sector- etc.)</li> <li>o Internal and external control bodies</li> </ul> |  |                       |                                      |   |
|                                      |   | Cooperation with AFCOS (if the national institution responsible for the coordination of the elaboration of the NAFS is not AFCOS) |   |  |                       |                                      |   |
|                                      |   | Setting up an Internal Network for the Anti-Fraud Strategy between the national institutions involved                             | Hierarchical level of the participants; is it operational?<br>What mechanisms are in place to encourage, motivate and facilitate the collaboration between the different administrative bodies?   |  |                       |                                      | setting up of an Internal Network for the Anti-Fraud Strategy between all Services involved in the management of Structural Actions |
|                                      |   | Deciding on the type and frequency of communication between them  | e.g. Meetings at least once per year<br>How often do the administrative bodies meet?<br>What type of documentation (e.g.meeting minutes) is kept?<br>Is there proper communication between those attending the meetings to their respective service?<br>Is there a Business Continuity Plan (BCP) to ensure smooth transition in case of staff turnover?  |  |                       |                                      |   |
|                                      |   | Cooperation Network for the Anti-Fraud Strategy for Structural Actions  | Are representative from all ESIF funds involved in the process?<br><ul style="list-style-type: none"> <li>o ERDF</li> <li>o Cohesion Fund</li> <li>o ESF</li> <li>o EMFF</li> <li>o EARDF</li> </ul>  | national institution responsible for the coordination of the elaboration of the NAFS |                       | All members of the network           | meetings effectively hold per year with at least 80% participation of all members of the network                                    |
|                                      |   | Is it foreseen to involve representatives from other EU or national policy areas?   | Inviting as observers, with the view to extend the NAFS to other areas in the future:<br><ul style="list-style-type: none"> <li>o Agriculture- first pillar</li> <li>o National budget: research, aid to development, etc.</li> </ul>   |  |                       |                                      |   |

## SETTING THE FRAMEWORK FOR NAFS - PRELIMINARY STEPS

| AREA  | TOPIC   | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY RESPONSIBLE FOR IMPLEMENTATION | DEADLINE / TIME FRAME                       | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
|---|---|---|---|--|---|--------------------------------------|----------------------------|
| INSTITUTIONAL SET-UP AND COOPERATION                    | Other bodies involved in the elaboration of NAFS / Internal cooperation | Is it foreseen to involve representatives from other EU or national policy areas?   | Inviting as observers, with the view to extend the NAFS to other areas in the future: <ul style="list-style-type: none"> <li>o Agriculture- first pillar</li> <li>o National budget: research, aid to development, etc.</li> </ul>  |  |   |                                      |                            |
|   |   | Has the co-ordinating body an in-depth review of the country's international obligations in the area of irregularities, fraud and corruption?   |   |  |   |                                      |                            |
|   |   | Can the co-ordinating body seek assistance/support from international partners, say OLAF, SIGMA, other MSs, in formulating the NAFS?  |   |  |   |                                      |                            |
|   |   | Involvement of the regional level (especially important in decentralized MSs; in Spain, Autonomous Communities are considered IBs, although with a special status with regard to other IBs. But other possibilities should be foreseen) | How will the regional level be involved in the procedure? Will all regional authorities be involved or will there be a limited representation of them? (e.g. on a rotational basis)Mechanisms for coordination?   |  |   |                                      |                            |
|   |   | How will it be ensured that the NAFS is binding at regional level?  |   |  |   |                                      |                            |
|   |   | How will the local level be involved?   | The aim of this reference to the local level is to ensure that it is really a National strategy, applied to all geographical/institutional levels; the local level can be even more important in centralized MSs<br>What will be the system to involve local authorities? Will there be a limited representation of them? If this is the case, describe the system to designate the local authorities' representatives (e.g. designation by some institution or association representing the municipalities at the level of the MS) |  |   |                                      |                            |
|   |   | Creating an expert team from all institutions involved  |   |  |   |                                      |                            |
|   |   | Preparation/ establishment of a Register of all national bodies competent to combat corruption, as well as fraud  |   |  |   |                                      | register produced          |
|   |   | Designating contact persons from all institutions involved and from all AF cycle stages   |   |  |   |                                      |                            |
| Efficiency of communication and exchange of information | e.g. common database  |   |   |  | Ensuring all the responsibilities are clear |                                      |                            |



## SETTING THE FRAMEWORK FOR NAFS - PRELIMINARY STEPS

| AREA                                 | TOPIC   | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY RESPONSIBLE FOR IMPLEMENTATION | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION                          | KEY PERFORMANCE INDICATORS       |
|--------------------------------------|---|---|---|--|-----------------------|---|----------------------------------|
| INSTITUTIONAL SET-UP AND COOPERATION | Other bodies involved in the elaboration of NAFS / Internal cooperation | Is the OLAF Guide on elaboration of NAFS disseminated to all actors concerned?  |   |  |                       |   |                                  |
|                                      |   | Is it foreseen to have a manual, with a formal description of the different steps in the procedure? (List the inputs for this document.)  | <ul style="list-style-type: none"> <li>o Who will be responsible for its preparation? (AFCOS/institution in charge of the elaboration)</li> <li>o Will there be specific guidelines for the different steps?</li> <li>o Is it foreseen to assist the different actors involved in the procedure (for example, with a help desk for specific questions)</li> </ul> |  |                       |   |                                  |
|                                      |   | Is the civil society involved? (e.g. involving the civil society by drafting a survey online on the topic)  |   |  |                       |   |                                  |
|                                      | External cooperation  | Improving the coordination among the administrative competent authorities with regard to reporting of fraudulent irregularities to OLAF   |   |  |                       | all Services involved in the management of Structural Actions | clear instructions for reporting |
|                                      |   | Reporting to OLAF of fraudulent irregularities, when detected by the judicial authorities   |   |  |                       | Judicial authorities, AFCOS                                   | clear instructions for reporting |
| STRUCTURE OF NAFS                    | State of play   | Is there a National Anti-Fraud Strategy already in place?   |   |  |                       |   |                                  |
|                                      |   | Is there a Strategy for each individual authority/for some of the authorities?  |   |  |                       |   |                                  |
|                                      |   | Are there just specific antifraud measures (for all/for some procedures within the individual authorities)?   |   |  |                       |   |                                  |
|                                      | Planning  | Determine the scope and extension of the NAFS:<br>Is the NAFS an integrated exercise, with one single decision for the MS? Or is it rather an integration of the anti-fraud strategies at the different levels (institutional, territorial, etc.)   |   |  |                       |   |                                  |
|                                      |   | Determine the period of time covered by the NAFS (i.e. Financial programming period or more/less)   |   |  |                       |   |                                  |
|                                      |   | Determine the funds and number of operational programmes covered by the NAFS (All EU funds / only structural and investment funds / both EU and national funds)   |   |  |                       |   |                                  |
|                                      |   | Evaluation of the current situation (Asking all national institutions involved to make their own evaluation)  |   |  |                       |   |                                  |
|                                      | Drafting a template   | e.g. for each field in the Guidelines and for each AF cycle phase, with some examples; expressly indicate that examples mentioned in the template are not exhaustive, every institutions is free to insert any other field considered necessary; ask for any other analysis considered relevant for the evaluation of the current situation |   |  |                       |   |                                  |

## SETTING THE FRAMEWORK FOR NAFS - PRELIMINARY STEPS

| AREA                             | TOPIC             | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY RESPONSIBLE FOR IMPLEMENTATION | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
|----------------------------------|-------------------|---|---|--|-----------------------|--------------------------------------|----------------------------|
| STRUCTURE OF NAFS                | Planning          | Setting an indicative calendar for the preparation of the NAFS, with breakdown of the different stages, with a reasonable deadline for the whole exercise                                   | What is the optimum time needed to devote to the preparatory phase?   |  |                       |                                      |                            |
|                                  |                   | Clarifying that every institution should evaluate their current situation only for the phases of AF cycle where they intervene  |   |  |                       |                                      |                            |
|                                  | Communication     | Notify the starting point of the elaboration of the NAFS (Sending notes to all national institutions involved informing them on the beginning of the preparatory phase)                     |   |  |                       |                                      |                            |
|                                  |                   | Keeping permanent contact with all institutions involved  | Consider the delays in answer and the incomplete / insufficient answers   |  |                       |                                      |                            |
|                                  |                   | Centralising contributions  | Identifying gaps, prioritising and setting the objectives<br>Have realistic targets been set to attain the input of all the stakeholders?   |  |                       |                                      |                            |
|                                  |                   | Are there mechanisms foreseen to raise awareness on the importance of the NAFS and antifraud issues in general terms?   | <ul style="list-style-type: none"> <li>o Among people involved in management and control of EU funds</li> <li>o Among public employees at the central, regional and local levels</li> <li>o Among the general public</li> </ul> |  |                       |                                      |                            |
|                                  |                   | Is it foreseen to have a communication strategy for the NAFS?   | involving media, the education sector, press services in the public sector, etc.?   |  |                       |                                      |                            |
|                                  |                   | Is it foreseen to establish a specific webpage/internet site for the NAFS? Or are other alternatives foreseen, to increase the visibility and the access of the general public to the NAFS? | e.g.: AFCOS internet site   |  |                       |                                      |                            |
| LEGAL BASE AND POLITICAL SUPPORT | Legal base        | Which is the legal basis for the NAFS in the specific MS?   | NAFS shall be legally binding for all involved subjects. Is there EU legislation and/or specific regulation at national level? If at national level: National law or Administrative/organizational regulations or rules?        |  |                       |                                      |                            |
|                                  |                   | Status of the NAFS  | <ul style="list-style-type: none"> <li>o Law / royal decree (Government level) / Ministerial Order</li> <li>o Administrative document</li> </ul>  |  |                       |                                      |                            |
|                                  | Political support | Mobilizing all the institutions involved in PIF in order to contribute to the NAFS  |   |  |                       |                                      |                            |
|                                  |                   | Who will be responsible for the approval of the NAFS?   | <ul style="list-style-type: none"> <li>o Head of State office</li> <li>o Government/Minister</li> <li>o Parliament</li> <li>o Other</li> </ul>  |  |                       |                                      |                            |

SETTING THE FRAMEWORK FOR NAFS - PRELIMINARY STEPS

| AREA                    | TOPIC                          | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY RESPONSIBLE FOR IMPLEMENTATION | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION  | KEY PERFORMANCE INDICATORS   |
|-------------------------|--------------------------------|--|--|--|-----------------------|---|--|
| ETHICS AND TRANSPARENCY | Ethical and Anti-Fraud culture | Drawing up an Official Mission Statement against fraud for Structural Actions        |  |  |                       | all staff involved in the management and control of Structural Actions, external environment: beneficiaries, contactors, public | mission statement approved   |
|                         |                                | Commitment of the public authorities and employees to Anti-Fraud and Anti-corruption | Is there an Anti-fraud and anti-corruption statement by public authorities? If not, how is the commitment of public authorities guaranteed and expressed? Is it established by law as a principle or an obligation for all public employees? |  |                       |   |  |
|                         |                                | Communication of the Mission Statement to the internal environment                   | Letters/ e-mails to all Managing Authorities, Intranets, Electronic leaflets   |  |                       | all staff involved in the management and control of Structural Actions  | clear/ distinct message, visible to all; electronic leaflet-brochure developed ; mission statement and electronic leaflet disseminated in line with the action |
|                         |                                | Communication of the Mission Statement to the external environment                   | via websites and Electronic leaflets   |  |                       | external environment: beneficiaries, contactors, public   | clear/ distinct message, visible to all; electronic leaflet-brochure developed ; mission statement and electronic leaflet disseminated in line with the action |

## SETTING THE FRAMEWORK FOR NAFS - PRELIMINARY STEPS

| AREA                    | TOPIC                          | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY RESPONSIBLE FOR IMPLEMENTATION | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION   | KEY PERFORMANCE INDICATORS  |
|-------------------------|--------------------------------|---|--|--|-----------------------|--|---|
| ETHICS AND TRANSPARENCY | Ethical and Anti-Fraud culture | Asset declaration for staff involved in the management and control of Structural Actions  |  |  |                       | categories of staff involved in the management and control of Structural Actions | categories of staff subject to this obligation  |
|                         |                                | Declaration on conflict of interest for staff involved in the management and control of Structural Actions                      |  |  |                       | categories of staff involved in the management and control of Structural Actions | categories of staff subject to this obligation  |
|                         |                                | Declaration on conflict of interest for the members, the audit teams and the staff of the Audit Authority                       |  | Audit Authority                          |                       | The members, the audit teams and the staff of the Audit Authority                | submission of declarations by those subject to this obligation  |
|                         |                                | Is there a Code of Ethics/Code of Conduct for the public sector, which is known by all public authorities and public employees? |  |  |                       |  |   |
|                         |                                | Transparency of information to the general public   | e.g. Accounts and operations of public entities, Audit reports, Salaries and wealth of public senior officials etc.<br>o Is the relevant information public?<br>o How is it ensured that the general public has access to the information (for example: internet site)?<br>o Which information is published? |  |                       |  |   |
|                         |                                | General/ introductory training on fraud awareness concerning structural actions   |  |  |                       | all staff involved in the management and control of Structural Actions           | seminars/ meetings with an attendance of 70% of the targeted group and met expectations of participants |
|                         |                                | Study on the development of a methodology concerning job rotation for the new PP 2014-2020                                      |  |  |                       | staff involved in the management and control of Structural Actions               | study on the development of a methodology concerning job rotation for the new PP 2014-2020              |

## **2. Fraud Prevention**

Prevention should be treated as a priority by managing, certifying and audit authorities, in order to mitigate the fraud risks. It shall be made more effective through closer cooperation between all stakeholders and an overall enhanced co-ordination of actions.

The main issues to address are following:

- Clearer legislation

- Cooperation and quick exchange of information

- Training and guidelines – explanations of rules

- Exchange of best practices

- Effective IT tools, including risk assessment

- Ethics and transparency

- Measurable results – comparison

| EVALUATION OF THE CURRENT SITUATION |                         |  |   |                                       |            | SETTING THE OBJECTIVES  |                                      |                       |                                      |                            |
|-------------------------------------|-------------------------|--|---|---------------------------------------|------------|---|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC                   | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE   | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| NATIONAL COOPERATION                | Coordination            | Cooperation with Managing Authority                                    | Coordinating role, writing guidelines, organising training courses etc  |                                       | yes / no   | 1) Support for analysing risks (in SFOS working criteria for fraud risks) 2) Media campaign (how much public money is wasted, contacts who to report to of the misuse of public money etc). Main goal is efficient and quick cooperation. |                                      |                       |                                      |                            |
|                                     |                         | Cooperation with AFCOS   | Advising and coordinating role, writing guidelines, organising training courses etc   |                                       | yes / no   | Updating the guidelines of irregularities and fraud. Main goal is efficient and quick cooperation   |                                      |                       |                                      |                            |
|                                     |                         | Cooperation with 1st level IB's  | AFCOS has a good cooperation.   |                                       | yes / no   | Sharing experience (recovery decisions, working papers, etc.), in detail. Main goal is efficient and quick cooperation  |                                      |                       |                                      |                            |
|                                     |                         | Regular meetings with all other authorities to discuss problems        |   |                                       |            |   |                                      |                       |                                      |                            |
|                                     | Exchange of information | Contacts of partners (the Police, Tax & Customs, etc)                  | The contacts exist in the Structural Funds extranet and are regularly updated   |                                       | yes / no   | Fast and accurate exchange of information   |                                      |                       |                                      |                            |
|                                     |                         | All partners have access to support data                               | The partners have access to the data, including EE supported projects. National support is implemented by KUM, KIK, EAS, PRIA, INNOVE, MISA |                                       | yes / no   | Access to the required information  |                                      |                       |                                      |                            |
|                                     |                         | Cross-border cooperation   | The real need is not tested   |                                       | yes / no   | If necessary, it works quickly and effectively  |                                      |                       |                                      |                            |
|                                     |                         | Creation of a Register of Auditors as well as of a Register of experts |   |                                       |            |   |                                      |                       |                                      | creation of the Registers  |
|                                     | Feedback                | Clues from partners  | The Police analysed the projects information to identify persons connected to beneficiary and contractors..                                 |                                       | yes / no   | Discoverer (Tax & Customs, the Police, the 1st level IB etc.) delivers information referring to the fraud. Procurement complaints by the losers of a bidding (automatic option to hint).  |                                      |                       |                                      |                            |
|                                     |                         | "Black list"   | Does not work   |                                       | yes / no   | Joint list where all suspicious persons are entered (access with ID card)   |                                      |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION |             |                           |   |                                       |  | SETTING THE OBJECTIVES  |                                      |                       |                                      |                            |  |
|-------------------------------------|-------------|---------------------------|---|---------------------------------------|--|---|--------------------------------------|-----------------------|--------------------------------------|----------------------------|--|
| AREA                                | TOPIC       | KEY ITEMS                 | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION   | OBJECTIVE   | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |  |
| LEGISLATION AND PROCEDURES          | Legislation | Legal acts                | Are there legal acts that effectively regulate conflicts of interest, public procurements and whistleblowing? Are the provisions of these acts clear and straightforward? |                                       | yes / no   |   |                                      |                       |                                      |                            |  |
|                                     |             | Structural Assistance Act | Does not support in case of specific situations.  |                                       | Number of conflicts  | 1) clearly stipulated that benefits are public money (strict rules); 2) In case of criminal investigation there should be a possibility not to make payments or require an additional guarantee 3) Possibility not to give a benefit to persons with "bad behaviour" 4) All documents should be signed only digitally   |                                      |                       |                                      |                            |  |
|                                     |             | Taxation Act              | The Tax and Customs Board information is available only for AGRI funds (EC directive)   |                                       | Number of cases detected in cooperation with the Tax & Customs Board | In case of need, the Tax and Customs Board information is available for all implementers  |                                      |                       |                                      |                            |  |
|                                     |             | Public Procurement Act    | 1) Requirements for EU subsidies are stricter than for public money 2) Simplified procedure has risks (big amounts, addressed offers, corruption)                         |                                       | Number of irregularities   | All deals with public money should be performed as e-procurements. Specification of deadlines   |                                      |                       |                                      |                            |  |
|                                     |             | Regulations of actions    | We have general rules for preparation of regulations of actions.  |                                       | Number of irregularities   | 1) more possibilities to prevent the occurrence of problems (e-procurement, before getting benefits contribute your own money, etc) 2) repeated rounds for selection of project 3) not to use concrete amounts for the classification of beneficiaries (turnover etc) 4) many comparable offers / biddings 5) avoiding duplication of activities. Main goal is that there are no irregularities in the measure. |                                      |                       |                                      |                            |  |

| EVALUATION OF THE CURRENT SITUATION |                                 |   |   |                                       |            | SETTING THE OBJECTIVES   |                                      |                       |                                      |                            |
|-------------------------------------|---------------------------------|---|---|---------------------------------------|------------|--|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC                           | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| LEGISLATION AND PROCEDURES          | Guidelines / rules of procedure | Description of duties and responsibilities  | The 1st level IB's have different documents.  |                                       | yes / no   | All guidelines are up-to-date and appropriate  |                                      |                       |                                      |                            |
|                                     |                                 | Separation of duties  | Beneficiary and the 1st level IB are in the same authority and under the management of the same top executives  |                                       | yes / no   | Different, separated authorities   |                                      |                       |                                      |                            |
|                                     |                                 | Relegation in case of conflict of interests   | Assessors, controllers, document verifiers and other positions dealing with beneficiaries should be aware that they have to notify of any relation with beneficiaries           |                                       | yes / no   | All processes are conducted ethically  |                                      |                       |                                      |                            |
|                                     |                                 | Evaluation criteria (applicant, project, finances, the results, on-the-spot checks, etc.)                     | Today everyone has to manage using their own abilities and skills.  |                                       | yes / no   | Measure-specific requirements for evaluation. If necessary, on-the-spot checks are carried out or involving partners (local governments, the police etc). All guidelines are up-to-date and appropriate. |                                      |                       |                                      |                            |
|                                     |                                 | Introduction of special protection mechanisms, in the calls for tender, in favour of the Managing Authorities | i.e. the request for specific guarantees directly enforcing the obligor to pay - should an irregularity emerge- on the basis of "at first sight and without exception" formula. |                                       |            |  |                                      |                       |                                      |                            |
|                                     |                                 | Reporting of doubts of irregularities / fraud   | AFCOS guideline. The doubt of fraud (IRQ 3) only if there is criminal investigation involved.   |                                       | yes / no   | All guidelines are up-to-date and appropriate  |                                      |                       |                                      |                            |
|                                     |                                 | Risk hedging activities (prevention, ex-ante on-the-spot checks etc)  | Art 125 4 c evaluation is pending.  |                                       | yes / no   | We share experiences. Organisation of training courses. All guidelines are up-to-date and appropriate  |                                      |                       |                                      |                            |
|                                     |                                 | Price Book (experience of the Agricultural Information and Register Board = ARIB)                             | ARIB purchased the program  |                                       | yes / no   | Common Price Book and all implementers have access to them. All guidelines are up-to-date and appropriate.   |                                      |                       |                                      |                            |



| EVALUATION OF THE CURRENT SITUATION |                                 |   |  |   |                         | SETTING THE OBJECTIVES                       |                                      |                       |                                      |   |  |
|-------------------------------------|---------------------------------|---|--|---|-------------------------|--|--------------------------------------|-----------------------|--------------------------------------|---|--|
| AREA                                | TOPIC                           | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY CARRYING OUT THE EVALUATION   | EVALUATION              | OBJECTIVE                                    | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS  |  |
| LEGISLATION AND PROCEDURES          | Guidelines / rules of procedure | dissemination of the best practices among the Authorities responsible for managing EU funds   | Sharing best practices during the preparation stage of the calls for tender and documents' drawing up as well as submission of funding applications; |   |                         |  |                                      |                       |                                      |   |  |
|                                     |                                 | Evidence / audit trail  | Beneficiary can endlessly present new documents.   |   | By deadline and regular | Only digitally signed documents are accepted |                                      |                       |                                      |   |  |
|                                     |                                 | Uniform and homogeneous audit structures  |  |   |                         |  |                                      |                       |                                      |   |  |
|                                     |                                 | Centralized First Level Control   |  |   |                         |  |                                      |                       |                                      |   |  |
|                                     |                                 | Accurate Management and Control System  |  |   |                         |  |                                      |                       |                                      |   |  |
|                                     |                                 | Initial review of the current Management and Control System of 2007-2013 (by for instance using fraud risk assessment tool to a pilot Operational Programme ) | in order to identify and assess fraud risks  | National Coordination Authority for Structural Actions, Managing Authority of an OP (pilot) |                         |  |                                      |                       |                                      | National Coordination Authority for Structural Actions, Managing Authorities  | an initial assessment report on the Identification and assessment of fraud risks   |
|                                     |                                 | Incorporation of the results concluded from the Initial review into the Management and Control System of the new Programming Period 2014-2020                 |  | National Coordination Authority for Structural Actions                                      |                         |  |                                      |                       |                                      | National Coordination Authority for Structural Actions, all Services involved in the management and control of Structural Actions | steps, responsibilities and control points in the written procedures of the new MCS ; Strengthening of the management and control system, as necessary, based on the results from the review |

| EVALUATION OF THE CURRENT SITUATION |                 |   |   |  |            | SETTING THE OBJECTIVES  |                                      |                       |                                      |  |
|-------------------------------------|-----------------|---|---|--|------------|---|--------------------------------------|-----------------------|--------------------------------------|--|
| AREA                                | TOPIC           | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION  | EVALUATION | OBJECTIVE   | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS   |
| MEANS AND RESOURCES                 | Human Resources | Sufficient knowledge, skills, background checks, replacements, leaving                                  | A background check only when you employ.  |  | yes / no   | 1) The national training programs for officials of the various needs. 2) Practice at another institution. The overall objective - employees have necessary skills and they desire to work in the system |                                      |                       |                                      |  |
|                                     |                 | Specialization and the involvement of experts   | Construction experts (EAS INN), a specialization of the actions / sectors.  |  | yes / no   | Higher level personnel (experience, skills). Special nationwide training courses, practices, fast exchange of information. The required number of competent personnel.                                  |                                      |                       |                                      |  |
|                                     |                 | Special administration investigators  | In bigger 1st Level IB's (KIK, EAS, PRIA) there are a special administration investigators for suspected fraud (experiences, more time to delve into) |  | yes / no   | The required number of competent personnel.   |                                      |                       |                                      |  |
|                                     |                 | Job descriptions  | Obligations and responsibilities are described.   |  | yes / no   | An official is aware of their responsibilities  |                                      |                       |                                      |  |
|                                     | Training        | Evaluation of applications  | Today everyone has to manage using their own abilities and skills   |  | yes / no   | Invest more into resources (ability to evaluate an existence of fraud). Necessary knowledge and skills  |                                      |                       |                                      |  |
|                                     |                 | Sharing the experience of public procurement  | Regular sharing of new experience   |  | yes / no   | MA organises quarterly.   |                                      |                       |                                      |  |
|                                     |                 | Specific trainings for employees of national authorities, auditors and experts to raise fraud awareness |   |  | yes / no   |   |                                      |                       |                                      | Training plan  |
|                                     |                 | Clear guidance or training to beneficiaries on fraud risks, procedures, etc.                            |   | National Coordination Authority for Structural Actions, Managing Authorities |            |   |                                      |                       | Beneficiaries                        | guidelines and/ or seminars/ meetings with an attendance of 70% of the targeted group and met expectations of participants |

| EVALUATION OF THE CURRENT SITUATION |  |  |   |  |  | SETTING THE OBJECTIVES |   |                       |                                      |                            |
|-------------------------------------|--|--|---|--|--|------------------------|---|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC  | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION                  | EVALUATION   | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE  | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| MEANS AND RESOURCES                 | Training   | specific training activity on cases of irregularities/fraud and related modus operandi and on control methodologies  | involving all those Authorities responsible for managing EU funds, with a view to disseminating the most frequent cases of irregularities/fraud and related "modus operandi", but also of the best national and European control methodologies;   |  |  |                        |   |                       |                                      |                            |
|                                     | IT tools   | IT-based Data System   |   |  |  |                        |   |                       |                                      |                            |
|                                     |  | Central Exclusion Database   | On-the-spot inspections and controls and the Central Exclusion Database would have the capacity to deter potential perpetrators of fraud and protect EU financial interests, provided that the inspections are conducted in cooperation with the national authorities and CED is regularly updated with final judgements. |  |  |                        |   |                       |                                      |                            |
|                                     |  | Technological and functional upgrading of the Greek MIS: gradually automate all required procedures, work flow and document management for all procedures relating to the 2014-2020 NSRF, etc. |   | National Coordination Authority for Structural Actions |  |                        | National Coordination Authority for Structural Actions, all Services involved in the management and control of Structural Actions |                       |                                      | upgrading completed        |
|                                     | Data cross-checking and comparing with partners (Tax etc.) | SFOS has an automatic cross-checking (invoice number and date)   |   | yes / no   | 1) For public authorities (including service providers) the Commercial Credit Information and data should be available free of charge 2) Tax analysis information as clues 3) E-government |                        |   |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION |          |   |   |                                       |            | SETTING THE OBJECTIVES |                                      |                       |                                      |                            |
|-------------------------------------|----------|---|---|---------------------------------------|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC    | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| MEANS AND RESOURCES                 | IT tools | Implementation and use of a unique "IT-tool" intended for prevention purposes, to be shared by all Authorities managing EU funds, for the analysis and cross check of all available data and the processing of the so called "risk indicators". | <p>In this regard, the ideal platform should cross check all data related to :</p> <ul style="list-style-type: none"> <li>· the management of European funds held by the central and local Administrations (both from the sector of structural funds and agriculture/ fishing). Furthermore, data referred to the economic part of the funded projects (invoices, payments etc...) are be acquired;</li> <li>· the management of irregularities and fraud (OLAF "IMS" databank and possible other data banks owned by national Administrations);</li> <li>· data banks of the Chambers of Commerce, that is those Authorities holding information regarding the company structure of juridical persons (namely data referred to: members, administrators, registered offices, assets, employees etc.)</li> <li>· tax data banks (data on the residence for tax purposes, assets, income of subjects);</li> <li>· data banks of the Police forces and Judicial authorities (data pertaining to complaints and criminal proceedings related to specific crimes such as fraud, corruption, wrongdoing, infringements on contracts etc.)</li> </ul> |                                       |            |                        |                                      |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION |          |   |   |                                       |            | SETTING THE OBJECTIVES  |                                      |                       |                                      |                            |
|-------------------------------------|----------|---|---|---------------------------------------|------------|---|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC    | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE   | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| MEANS AND RESOURCES                 | IT tools | Generating adequate "risk indicators" and "alerts" pertaining to EU funds' applicants, following to the cross-check by the unique IT-tool   | Generate adequate "risk indicators" taking into due account, even in a weighted way, the following "alerts" pertaining to EU funds' applicants:<br>· past infringements committed in the "EU funds' sector;<br>· company structure with critical issues (lack of employees, few assets, suspicious location of the registered office, members with previous infringements of the rules on EU funds or criminal regulations);<br>· past tax infringements which may be repeated and perpetrated to detriment of the EU funds (i.e. use of false invoices)<br>· Particularly serious past criminal infringements such as fraud, false documents, corruption, infringements on contracts etc.) |                                       |            |   |                                      |                       |                                      |                            |
|                                     |          | setting up of ad hoc "internet portals" by the Managing Authorities, thus making it possible for citizens and enterprises to lodge their funding applications directly from the web | Such a user-friendly procedure shall highlight (and therefore correct) ab origine the most common errors being made, from the early drawing up to the funding requests, via self-control mechanisms   |                                       |            |   |                                      |                       |                                      |                            |
|                                     |          | Security  | Limitation/extension of the rights of use of information (partners can access as observers)   |                                       | No leaks   | Supervision specialists have access to all projects in the SFOS. Main goal - IT systems are secure and user-friendly. |                                      |                       |                                      |                            |
|                                     |          | Public Databases  | All beneficiaries are checked, but staff is not able to evaluate the hazards of "red flags"   |                                       | Number     | All public information is checked and risks are fixed.  |                                      |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION |              |   |   |  |            | SETTING THE OBJECTIVES   |                                      |                       |   |                            |
|-------------------------------------|--------------|---|---|--|------------|--|--------------------------------------|-----------------------|---|----------------------------|
| AREA                                | TOPIC        | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION                  | EVALUATION | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION  | KEY PERFORMANCE INDICATORS |
| ETHICS AND TRANSPARENCY             | Ethics       | Top management support  | The attitude towards fraud depends on the top manager.  |  | yes / no   | All institutions should have the same attitude regarding fraud. Specific meetings, debates and training courses for top managers |                                      |                       |   |                            |
|                                     |              | Information transfer, storage (confidentiality)   | The borderline between trade secrets and in-house documents and in transmission of information necessary to combat fraud is not clear                                     |  | yes / no   | Information abuses do not occur.   |                                      |                       |   |                            |
|                                     |              | Gifts   | Adjustment, declaration, verification   |  | yes / no   | The system is transparent  |                                      |                       |   |                            |
|                                     |              | Briefings to new employees  | Rules of ethics in the organization/system followed and recognized.   |  | yes / no   | Mentoring program for a new employee.  |                                      |                       |   |                            |
|                                     | Transparency | Declaration on conflict of interest of beneficiaries  |   | National Coordination Authority for Structural Actions |            |  |                                      |                       | Beneficiaries   | guidelines                 |
|                                     |              | publication of all EU funds' beneficiaries on a single governmental internet site   | in order to gain more transparency and exerting a "widespread" related check on the correct use of EU funds by all citizens   |  |            |  |                                      |                       |   |                            |
|                                     |              | drawing up of a "certified list" of practitioners (tax accountants, barristers, auditors), possessing specific and rigorous moral and professional requirements.  | Such a list should be made public and easily accessible by citizens and enterprises looking for valid and qualified intermediaries to draw up their funding applications. |  |            |  |                                      |                       |   |                            |
|                                     |              | Expropriations: Study regarding the possibility of assigning to an independent body, the development of a methodology and the continuous support on land price estimation. This estimation will be submitted by the Beneficiary to the Court in order for the Court to determine the remuneration of owners |   |  |            |  |                                      |                       | all Services involved in the management and control of Structural Actions, judicial authorities | the relevant study         |

| EVALUATION OF THE CURRENT SITUATION   |          |  |   |  |            | SETTING THE OBJECTIVES  |                                      |  |   |                            |
|---------------------------------------|----------|--|---|--|------------|---|--------------------------------------|--|---|----------------------------|
| AREA                                  | TOPIC    | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION  | EVALUATION | OBJECTIVE   | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME  | TARGET GROUP CONCERNED BY THE ACTION  | KEY PERFORMANCE INDICATORS |
| FRAUD PREVENTION STRATEGY AND RESULTS | Strategy | Risk analysis activities with the view to identify the EU Funds (budget areas / sectors) being more vulnerable to irregularities and/or fraud. | In this regard, all information present in the IMS system and in the national data banks owned by Managing Authorities and Police forces is to be thoroughly analysed and deepened; |  |            |   |                                      |  |   |                            |
|                                       |          | Regular use of the fraud risk assessment tool  |   | National Coordination Authority for Structural Actions, Managing Authorities |            |   |                                      | National Coordination Authority for Structural Actions, Managing Authorities | 100% use of the risk assessment tool by all Managing Authorities                              |                            |
|                                       |          | Risk criteria and analysis   | Automated risk analysis does not work   |  | yes / no   | The nationwide system (SAS, ARACHNE etc)  |                                      |  |   |                            |
|                                       |          | Setting up assessment teams within the Managing Authorities  |   | Managing Authorities   |            |   |                                      | Managing Authorities   | internal documents setting up the teams in all MAs, signed by Head of MAs                     |                            |
|                                       |          | Training on responsibilities and tasks with regard to fraud risk assessment and procedures   |   | National Coordination Authority for Structural Actions                       |            |   |                                      | all Services involved in the management and control of Structural Actions    | seminars with an attendance of 70% of the targeted group and met expectations of participants |                            |
|                                       |          | Testing of Arachne IT tool based on Operational Programmes data  |   |  |            |   |                                      | all Services involved in the management and control of Structural Actions    | the relevant report   |                            |
|                                       | Results  | Fraud suspicions detected in the phase of application  | No fraud suspicions detected in the phase of applications evaluation  |  | Number     | We discover fraud suspicions in the applications evaluation phase, share information quickly, cooperate with other IB, MoF (AFCOS, MA), the Police, the Tax & Customs Board and others. Most of the problems are detected in the prevention phase |                                      |  |   |                            |
|                                       |          | Comparison with other MS's   | We reported to OLAF fraud suspicions detected in the phase of applications evaluation.  |  | Number     | Better than EU average.   |                                      |  |   |                            |

### **3. Fraud Detection**

Detection is a critical stage that should be handled with due diligence and proactively by all stakeholders, management and control authorities, including audit authorities as well as law enforcement services.

Main aspects to assess:

Cooperation and collaboration between national authorities and other national bodies on fraud detection issues

Communication and exchange of information among the different actors (including AFCOS and OLAF) on detected cases

Legislation and guidelines on whistle-blowing, on-the-spot checks, data protection

Procedure / guidelines for the cases of suspicion of fraud

Human resources, training and IT tools

Measuring the results



| EVALUATION OF THE CURRENT SITUATION |              |   |  |                                       |            | SETTING THE OBJECTIVES |                                      |                       |                                      |  |
|-------------------------------------|--------------|---|--|---------------------------------------|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|--|
| AREA                                | TOPIC        | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS                                     |
| NATIONAL AND EUROPEAN               | Coordination | Cooperation ensuring follow up of the actions taken [corrective actions, investigation, prosecution, etc.] by the competent authorities     |  | AFCOS                                 | yes / no   |                        |                                      |                       | all Services involved                | Number of complaints, Number of suspected fraud cases reported |
|                                     |              | Cooperation and collaboration between national authorities and other national bodies (e.g. the court of auditors) on fraud detection issues | How is coordination ensured (by the AFCOS and other institutions) ?<br>o Guidelines and instructions<br>o Regular meetings AFCOS network<br>o Helpdesk for specific questions<br>Does this coordination involve other levels of the Administration (regional level)?   |                                       | yes / no   |                        |                                      |                       |                                      |  |
|                                     |              | Describe the procedures and for coordination on detection issues among the different areas and institutions                                 | o MA and intermediate bodies<br>o Among the different authorities (MA, CA, AA)<br>o Between MA and regional authorities with management functions, and between the AA and regional authorities with audit functions<br>o Among the different ESIF Funds (Describe briefly the coordination methods for each) |                                       |            |                        |                                      |                       |                                      |  |
|                                     |              | How is segregation of functions between management and control ensured? (To be checked separately for each Managing Authority)              | o Different authorities<br>o Different units within the same authority; describe the measures to ensure the segregation of functions   |                                       |            |                        |                                      |                       |                                      |  |
|                                     |              | How is the independence of the AA ensured?  |  |                                       |            |                        |                                      |                       |                                      |  |
|                                     |              | collaborating with Police Forces  | by underwriting specific MOUs regulating their support in the most critical cases and should a suspicion of fraud occur  |                                       |            |                        |                                      |                       |                                      |  |
|                                     |              | Which is the relation of the AFCOS and the AAs?   | Does the AFCOS perform specific quality controls of the work done by the AA?   |                                       |            |                        |                                      |                       |                                      |  |
|                                     |              | Cooperative work and exchange with OLAF   | A cooperative work and exchange with OLAF is essential to protect the EU's financial interests and to avoid corruption   |                                       | yes / no   |                        |                                      |                       |                                      |  |

| EVALUATION OF THE CURRENT SITUATION |               |   |   |   |            | SETTING THE OBJECTIVES |                                      |                       |                                      |                            |
|-------------------------------------|---------------|---|---|---|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC         | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION         | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| NATIONAL AND EUROPEAN COOPERATION   | Communication | Communication and exchange of information among the different actors on detected cases  | <ul style="list-style-type: none"> <li>o Between MAs, CAs, AAs, and other authorities.</li> <li>o From other institutions that are not involved in the Management and control system for the ESIF funds (for example: public procurement )</li> <li>o To and from judicial authorities and the rest of the system</li> <li>o Is it guaranteed that the AFCOS receives all the relevant information for the coordination of the system?</li> </ul> |   |            |                        |                                      |                       |                                      |                            |
|                                     |               | Data protection   | <ul style="list-style-type: none"> <li>o How is data protection guaranteed?</li> <li>o Who has the right to consult and use the information?</li> <li>o On which basis? (legal basis, on the framework of a specific activity, etc.).</li> <li>o Are there procedures to guarantee that the relevant authorities have the right to consult the information?</li> </ul>  |   |            |                        |                                      |                       |                                      |                            |
| LEGISLATION AND PROCEDURES          | Legislation   | Provisions for the protection of employees [whistle-blowing policy]   | Legislation: which is the legal basis for the whistleblowing procedure? (law, decree, administrative or organizational rule)  | National Anti-Corruption Coordinator or AFCOS | yes / no   |                        |                                      |                       | personnel                            | the relevant provisions    |
|                                     |               | Is there a specific rule in the whistleblowing legislation for the case of public officials?  |   |   |            |                        |                                      |                       |                                      |                            |
|                                     |               | In the area of EU Funds, is the obligation for detection and reporting of suspected fraud regulated by law or by a different legislative act? | Identify it and describe how this obligation is regulated.  |   |            |                        |                                      |                       |                                      |                            |
|                                     |               | Is the above regulation established for all areas?  | Is it regulated in general for the whole public administration and / or specifically by the regulation for each administrative organization or for each sector/fund (and adapted to its characteristics)?   |   |            |                        |                                      |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION |                                 |   |  |  |            | SETTING THE OBJECTIVES |                                      |                       |                                      |  |  |
|-------------------------------------|---------------------------------|---|--|--|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|--|--|
| AREA                                | TOPIC                           | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY CARRYING OUT THE EVALUATION                                  | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS   |  |
| LEGISLATION AND PROCEDURES          | Legislation                     | Are the following aspects regulated at general level or in the rules of each authority or sector?                   | <ul style="list-style-type: none"> <li>o Definitions of irregular – fraudulent corruption situations</li> <li>o Mechanisms for detection and reporting</li> <li>o Channels for the reporting</li> <li>o Procedure to follow and Authority to be addressed.</li> <li>o Persons to be held responsible</li> <li>o Sanctions</li> <li>o Any other relevant aspects.</li> </ul>                              |  |            |                        |                                      |                       |                                      |  |  |
|                                     |                                 | Is there a general awareness of this regulation?  | How is it ensured that all public employees know it? (For example, is it included in the procedures for recruitment of public employees? Is it included in the manual of the organizations?)   |  |            |                        |                                      |                       |                                      |  |  |
|                                     |                                 | For decentralized Member States: is the national law applicable to the regional administration?                     | Or is there a specific regulation? In this case, are there differences with the national law? Or a combination of both? How is coordination of the legislation ensured?  |  |            |                        |                                      |                       |                                      |  |  |
|                                     | Guidelines / rules of procedure | Drawing up flowcharts for the reporting of suspected fraud cases, including forwarding to the competent authorities |  | Cooperation Network for the Anti-Fraud Strategy for Structural Actions | yes / no   |                        |                                      |                       |                                      | all members of the Cooperation Network   | flowcharts   |
|                                     |                                 | General rules and guidelines for fraud detection and reporting  |  | National Coordination Authority for Structural Actions                 | yes / no   |                        |                                      |                       |                                      | all Services involved in the management and control of Structural Actions, Audit Authority | general rules and guidelines for fraud detection and reporting |
|                                     |                                 | Document verifications: Are they carried out for all the operations? (MA)   | Document verifications: Are they carried out for all the operations? Do they include specific tests for the detection of fraud? Brief description  |  |            |                        |                                      |                       |                                      |  |  |
|                                     |                                 | On-the-spot checks (MA):  | When are the onthespot checks carried out? (in which stage of the implementation of the projects) <ul style="list-style-type: none"> <li>o Are specific fraud detection tests being carried out?</li> <li>o Is the selection of operations to be tested based on a specific risk assessment?</li> <li>o Which is the percentage of operations for which these specific tests are carried out?</li> </ul> |  |            |                        |                                      |                       |                                      |  |  |

| EVALUATION OF THE CURRENT SITUATION |                                 |   |  |                                       |            | SETTING THE OBJECTIVES |                                      |                       |                                      |                            |
|-------------------------------------|---------------------------------|---|--|---------------------------------------|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC                           | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| LEGISLATION AND PROCEDURES          | Guidelines / rules of procedure | When are the onthespot checks carried out? (MA)   | In which stage of the implementation of the projects?  |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Has the MA established an early-warning system for the early detection of possible frauds?  | In which stages of the procedure (selection of applicants, implementation of projects, public procurement procedures launched by the MA itself) is it used?            |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Has the MA established a list of red flags for the early detection of possible frauds?  | In which stages of the procedure (selection of applicants, implementation of projects, public procurement procedures launched by the MA itself) is it used?            |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Toughening and implementing the development of the so called "on the spot checks"   | as it is only by accessing the registered office of the beneficiary and assessing on the spot the correct use of the funds that the most thorny fraud cases do emerge. |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | if it is revealed more irregularities and / or fraud in the context of similar fields, is it necessary to increase the sample implementation of planned on the spot checks? |  |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Do on the spot checks actually check all those elements of the project that cannot be checked within desk check control?  |  |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Which invoices are checked on the spot? Do these checks cover especially those invoices with higher values?   |  |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Do you have anywhere published and also described cases of fraud identified as examples of bad practice from which we can learn?  |  |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Is there a possibility of so called horizontal on the spot check? This means that more projects are checked within one beneficiary in the same time.                        |  |                                       |            |                        |                                      |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION                              |   |   |   |                                       |            | SETTING THE OBJECTIVES |                                      |                       |                                      |                            |
|--|---|---|---|---------------------------------------|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA   | TOPIC   | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| LEGISLATION AND PROCEDURES                                       | Guidelines / rules of procedure   | Is the MA using specific tools or procedures to detect Conflict of interests?                             |   |                                       |            |                        |                                      |                       |                                      |                            |
|  |   | Is the MA using specific tools or procedures to detect Double /multi-financing?                           |   |                                       |            |                        |                                      |                       |                                      |                            |
|  |   | Is the MA using specific tools or procedures to detect Fraud in public procurement?                       |   |                                       |            |                        |                                      |                       |                                      |                            |
|  |   | Are there whistleblowing procedures in place?   | <p>What are the elements of the whistleblowing procedure? Are there clear procedures on the way to proceed when receiving the information from a whistleblower? Describe the steps that are followed.</p> <p>Which Authority receives the information from whistleblowers as the first contact point?</p> <p>In the case of several authorities:</p> <ul style="list-style-type: none"> <li>- Is there an institution which centralizes the information and follows the necessary steps for the treatment of each case? or</li> <li>- Each authority manages the information received and treats every case, following the necessary steps? Are there procedures to guarantee that each authority knows the steps to follow?</li> </ul> |                                       |            |                        |                                      |                       |                                      |                            |
|  |   | What is the channel for the reception on information from whistleblowers?                                 | Web/Telephone/Other   |                                       |            |                        |                                      |                       |                                      |                            |
|  |   | Is there a single point for the reception of the information from whistleblowers?                         | Or each authority has its own mechanism for the reception on information from whistleblowers? In this case, how is coordination ensured for the homogeneous treatment of the different cases?   |                                       |            |                        |                                      |                       |                                      |                            |
|  |   | Which are the details that the whistleblower has to give? Is there a template to include the information? |   |                                       |            |                        |                                      |                       |                                      |                            |
|  |   | Does the AFCOS have a central role in the whistleblowing process?   |   |                                       |            |                        |                                      |                       |                                      |                            |
| Are all cases investigated that were received by whistleblowers? | If not, are there objective criteria which determine that an investigation is started? Describe these criteria. Who takes the final decision to start the investigation? How is independence ensured? |   |   |                                       |            |                        |                                      |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION |                                 |  |   |                                       |            | SETTING THE OBJECTIVES |                                      |                       |                                      |                            |
|-------------------------------------|---------------------------------|--|---|---------------------------------------|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC                           | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| LEGISLATION AND PROCEDURES          | Guidelines / rules of procedure | What are the mechanisms for protection of the whistleblowers (both external and internal)?                             | <ul style="list-style-type: none"> <li>o Anonymity, protection of the identity...</li> <li>o Procedures to guarantee that the whistleblower will not be affected (mainly for internal whistleblowers)</li> </ul>  |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Is there a clear procedure to follow in the cases of suspicion of fraud?   | <ul style="list-style-type: none"> <li>o Is there a different treatment depending on the amount? Which are the thresholds?</li> <li>o Is the treatment the same regardless of the authority which has detected the possible case of fraud, or when it comes from a whistleblower?</li> <li>o Describe the procedure and the different steps</li> </ul>  |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Which is the next step when a case of possible fraud is detected?  | <ul style="list-style-type: none"> <li>o Referring the case to the Public prosecutor or</li> <li>o Additional actions by the authority which has detected the possible fraud</li> <li>o Additional actions by the different authorities in the administrative area                             <ul style="list-style-type: none"> <li>- Checks by the MA</li> <li>- Tests by the AA</li> <li>- Intervention of the investigative authorities</li> <li>- Other (e.g. private fraud examiners)</li> </ul> </li> </ul> |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Is there a clear definition on the way to proceed in each suspicion of fraud case, according to objective criteria?    | Are the procedures the same for the national and the EU budget?   |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Do all authorities and employees in the institutions have accurate and updated information on procedures and criteria? | Are the different authorities obliged to perform the additional actions? Where is this obligation established? <ul style="list-style-type: none"> <li>- Law</li> <li>- Administrative rules</li> <li>- Agreements signed with the different authorities</li> </ul>  |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Is there a coordinating unit (e.g. AFCOS) responsible for the treatment of the suspicion of fraud cases?               |   |                                       |            |                        |                                      |                       |                                      |                            |
|                                     |                                 | Or is it each authority that proceeds with the next steps with regard to suspicion of fraud cases?                     | In this case, are there clear instructions and guidance on the action to take in each case?   |                                       |            |                        |                                      |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION |                                 |   |   |   |            | SETTING THE OBJECTIVES |                                      |                       |   |   |
|-------------------------------------|---------------------------------|---|---|---|------------|------------------------|--------------------------------------|-----------------------|---|---|
| AREA                                | TOPIC                           | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION                           | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION                                      | KEY PERFORMANCE INDICATORS  |
| LEGISLATION AND PROCEDURES          | Guidelines / rules of procedure | For the cases of suspicion of fraud referred to the public Prosecutor, is there a regular feedback on the situation and results of the cases? | Which is the basis for this exchange of information (law, agreement with the Prosecutor's office, etc.)?<br>How is it ensured that this information reaches the rest of the actors in the antifraud field?  |   |            |                        |                                      |                       |   |   |
|                                     |                                 | Setting-up a mechanism for examining complaints with regard to structural actions   |   | AFCOS   | yes / no   |                        |                                      |                       | all Services involved in the management and control of Structural Actions | mechanism for examining complaints with regard to structural actions  |
|                                     |                                 | Introducing a procedure for examining complaints with regard to structural actions, including forwarding to the competent authorities         |   | National Coordination Authority for Structural Actions<br>AFCOS | yes / no   |                        |                                      |                       | all Services involved in the management and control of Structural Actions | A procedure for examining complaints with regard to structural actions, including forwarding to the competent authorities |
|                                     |                                 | Introduction of procedures/rules for the evaluation and the handling of incoming complaints   |   | Audit Authority   | yes / no   |                        |                                      |                       | Audit Authority   | Procedures/rules for the evaluation and the handling of incoming complaints in the Audit Authority                        |
|                                     |                                 | Exchange of the relevant information on detected cases  | Brief description of the procedures. Is there a regular exchange? Indicate the following:<br>- periodicity<br>- content of the information<br>- Channel (involvement of AFCOS?)<br>If Exchange on a case by case basis:<br>- Type of cases<br>- Is there a clear definition of the cases for which information is to be exchanged?<br>- All authorities have received clear instructions on when and how to proceed with the exchange of information on individual cases? |   |            |                        |                                      |                       |   |   |
|                                     |                                 | What Type of information and sources are considered for exchange?   | o Public registries<br>o Accounts<br>o Audit reports<br>o IMS<br>o Media<br>o Use of a specific tool  |   |            |                        |                                      |                       |   |   |

| EVALUATION OF THE CURRENT SITUATION |                 |   |  |  |            | SETTING THE OBJECTIVES |                                      |                       |   |   |  |
|-------------------------------------|-----------------|---|--|--|------------|------------------------|--------------------------------------|-----------------------|---|---|--|
| AREA                                | TOPIC           | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY CARRYING OUT THE EVALUATION                  | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION                                      | KEY PERFORMANCE INDICATORS  |  |
| MEANS AND RESOURCES                 | Human Resources | Technical working group to detect fraudulent activities   | The establishment of a technical working group could be helpful to detect fraudulent activities early. These groups can be trained on developing fraud detection strategies  |  | yes / no   |                        |                                      |                       |   |   |  |
|                                     |                 | Specially trained auditors  | Where fraud is expected, specially trained auditors shall take over the investigation  |  | yes / no   |                        |                                      |                       |   |   |  |
|                                     |                 | Number of staff participating in detection activities (by each institution dealing with detection)                                      | number of staff with separation of the different categories of staff: administrative, auditors, investigators, etc.  |  |            |                        |                                      |                       |   |   |  |
|                                     |                 | Is there an outsourcing of some of the functions of the different authorities, in particular concerning the fraud detection activities? | For each authority, give some indicators (number and amount, percentage with regard to the global figures). Describe the procedures for supervision and quality control of the outsourced activities: Who is in charge, how is it done and at which stages of the procedure? |  |            |                        |                                      |                       |   |   |  |
|                                     | Training        | How the qualification of the staff for fraud detection activities is ensured?   | Give a brief description on the training in fraud detection for the staff in the different institutions involved in the antifraud cycle.   |  |            |                        |                                      |                       |   |   |  |
|                                     |                 | Training on detection and reporting   | <ul style="list-style-type: none"> <li>o Training on a regular basis for the staff involved in detection tasks</li> <li>o Organization of Seminars on specific issues</li> </ul>   | National Coordination Authority for Structural Actions | yes / no   |                        |                                      |                       | all Services involved in the management and control of Structural Actions | seminars with an attendance of 70% of the targeted group and met expectations of participants |  |
|                                     |                 | Training on control/ audit techniques   |  | "Financial Crime Unit"                                 | yes / no   |                        |                                      |                       | all Services involved in the management and control of Structural Actions | seminars with an attendance of 70% of the targeted group and met expectations of participants |  |
|                                     |                 | Who is responsible for the organization of the training sessions?   | <ul style="list-style-type: none"> <li>o AFCOS</li> <li>o Managing Authorities</li> <li>o Several authorities; if this is the case, is the AFCOS or other service responsible for the coordination?</li> </ul>   |  |            |                        |                                      |                       |   |   |  |
|                                     |                 | Authorities and institutions to which the training is addressed   | <ul style="list-style-type: none"> <li>o General</li> <li>o Specific per type of authority</li> <li>o Involvement of the private sector and the general public</li> </ul>  |  |            |                        |                                      |                       |   |   |  |
|                                     |                 |   |  |  |            |                        |                                      |                       |   |   |  |



| EVALUATION OF THE CURRENT SITUATION  |   |   |   |   |            | SETTING THE OBJECTIVES |                                      |                       |  |   |
|--|---|---|---|---|------------|------------------------|--------------------------------------|-----------------------|--|---|
| AREA   | TOPIC   | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION   | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION   | KEY PERFORMANCE INDICATORS  |
| MEANS AND RESOURCES  | Training  | Give some indicators/information on the training:   | <ul style="list-style-type: none"> <li>o Number of courses, conferences or seminars organized</li> <li>o Dates</li> <li>o Main topics on the agenda of the training sessions</li> <li>o Number of attendants. From which sectors and institution?</li> </ul>  |   |            |                        |                                      |                       |  |   |
|  | IT tools  | Continuous monitoring and processing of fraud data via IT tools   |   | all Services involved in the management and control of Structural Actions   | yes / no   |                        |                                      |                       | all Services involved in the management and control of Structural Actions, Audit Authority   | IT tools  |
|  |   | Databases used by the MA  | Which is the mechanism to incorporate the information from the different areas?   |   |            |                        |                                      |                       |  |   |
|  |   | Does the MA use data mining tools to detect possible fraud patterns and cases?  | e.g. Arachne tool   |   |            |                        |                                      |                       |  |   |
|  |   | Is there a common database with access by the different actors?   | <ul style="list-style-type: none"> <li>o Who is responsible for this database?</li> <li>o What is the source of information? Is it connected with other databases?                             <ul style="list-style-type: none"> <li>- Related to management and control of EU funds</li> <li>- Related to fraud cases and sanctions in different areas (e.g. exclusion databases in the public procurement area). Brief description of the procedure to incorporate the information.</li> </ul> </li> <li>o How are security, integrity, availability and confidentiality ensured?</li> </ul> |   |            |                        |                                      |                       |  |   |
|  |   | Technical arrangements for the access of "Financial Crime Unit" [and other members of the Cooperation Network if required] to the specific databases for Structural Actions |   | National Coordination Authority for Structural Actions<br><br>"Financial Crime Unit" and other members of the Cooperation Network if required | yes / no   |                        |                                      |                       | all Services involved in the management and control of Structural Actions, "Financial Crime Unit" and other members of the Cooperation Network if required | Technical arrangements for the access of the "Financial Crime Unit" [and other members of the Cooperation Network if required] to the specific databases for Structural Actions |
| having all control procedures computerised by assessing risk factors and using valid check-lists | (having all investigative steps as of item 3 of the following paragraph identified as investigation); |   |   |   |            |                        |                                      |                       |  |   |

| EVALUATION OF THE CURRENT SITUATION  |          |  |  |                                       |            | SETTING THE OBJECTIVES |                                      |                       |                                      |   |
|--------------------------------------|----------|--|--|---------------------------------------|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|---|
| AREA                                 | TOPIC    | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS                    |
| FRAUD DETECTION STRATEGY AND RESULTS | Strategy | Elaboration of fraud detection strategies ( in addition to EU's fraud detection standards) by national crime authorities                                 |  |                                       | yes / no   |                        | National crime authorities           |                       |                                      | fraud detection strategies in place           |
|                                      |          | Timely finalisation of Fraud Risk Assessment by Managing Authorities   | Timely finalisation of fraud risk assessments by Managing Authorities enables other authorities (e.g. the Audit Authority) to build upon the results of the fraud risk assessment  |                                       |            |                        | Managing Authorities                 |                       |                                      | timely finalisation of Fraud Risk Assessments |
|                                      |          | For each MA, give a brief description of the risk assessment procedure and tools.  | <ul style="list-style-type: none"> <li>o Staff involved in the exercise (number and qualification)</li> <li>o Sources and inputs for the exercise</li> </ul>   |                                       |            |                        |                                      |                       |                                      |   |
|                                      |          | Provide a general description of the methodology for the fraud risk assessment.  | What elements are considered for assessing the exposure to risk of the different activities? <ul style="list-style-type: none"> <li>o Type of beneficiaries</li> <li>o Internal control system in the IB or the beneficiary</li> <li>o Type of projects</li> </ul> |                                       |            |                        |                                      |                       |                                      |   |
|                                      |          | How is the risk assessment linked to the proportionate and effective measures to detect fraud?   |  |                                       |            |                        |                                      |                       |                                      |   |
|                                      |          | Periodicity of the risk assessment exercise and its revisions  |  |                                       |            |                        |                                      |                       |                                      |   |
|                                      |          | Which is the sampling method used by AA?   | How is the risk of fraud taken into account for the sampling (when establishing the parameters to define the sampling)?  |                                       |            |                        |                                      |                       |                                      |   |
|                                      |          | Do ordinary audits on systems and operations by AA (to establish the rate of error of the programmes) include specific tests for the detection of fraud? |  |                                       |            |                        |                                      |                       |                                      |   |

| EVALUATION OF THE CURRENT SITUATION  |          |  |   |                                       |            | SETTING THE OBJECTIVES |                                      |                       |                                      |                            |
|--------------------------------------|----------|--|---|---------------------------------------|------------|------------------------|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                 | TOPIC    | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE              | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| FRAUD DETECTION STRATEGY AND RESULTS | Strategy | Or do Audit Authorities carry out specific fraud detection audits/tests (on the systems or on the operations), in addition to the ordinary audits? | If this is the case,<br>o Which are the criteria for these specific audits/tests?<br>- Systems: Selection according to the risk exposure of the different MAs and IBs? On a random basis?<br>- Operations: Same sample as for the ordinary audits on operations? or Specific (additional) sample, based on a specific risk assessment exercise?<br>o Describe the sampling method used. |                                       |            |                        |                                      |                       |                                      |                            |
|                                      |          | Are these audits/tests carried out by AA on a regular basis? (indicate the periodicity)  | Or are they performed only occasionally, in cases of suspicions of fraud affecting a type of operation, a specific ESIF Fund or a specific authority? In this last case, is it the AA itself which decides on performing the tests or is it a different authority deciding? (or both, depending on the situation)   |                                       |            |                        |                                      |                       |                                      |                            |
|                                      | Results  | Number and total amount of the cases detected by each authority  |   |                                       |            |                        |                                      |                       |                                      |                            |
|                                      |          | Number and total amount of cases coming from whistleblowers' information   |   |                                       |            |                        |                                      |                       |                                      |                            |
|                                      |          | Number and total amount of cases referred to the Prosecutor's office   |   |                                       |            |                        |                                      |                       |                                      |                            |
|                                      |          | Number and total amount of cases with confirmation of fraud and final conviction   |   |                                       |            |                        |                                      |                       |                                      |                            |
|                                      |          | Amounts recovered  |   |                                       |            |                        |                                      |                       |                                      |                            |
|                                      |          | Fraud Detection Rate   | Measure the country's capacity and willingness to detect fraud  |                                       |            |                        |                                      |                       |                                      |                            |

## **4. Investigation and Prosecution**

Investigations and prosecution are closely interlinked. Their efficiency requires appropriately qualified staff, full cooperation of the management and control authorities and smooth collaboration among the authorities. Co-operation with other relevant actors at EU and national level is also of high importance.

Formal and informal co-operation agreements (including AFCOS and OLAF)

Legal framework for administrative and criminal investigations

Law on sanction / penalties for irregularities and fraud cases

National structure responsible for administrative and criminal investigations

Follow up of investigation (both administrative and criminal level)

Exchange of information with the Prosecutor's office

Human resources, training and IT tools

Measuring the results

| EVALUATION OF THE CURRENT SITUATION |  |   |   |   |            | SETTING THE OBJECTIVES  |                                      |                       |                                      |                                      |
|-------------------------------------|--|---|---|---|------------|---|--------------------------------------|-----------------------|--------------------------------------|--------------------------------------|
| AREA                                | TOPIC  | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                 | EVALUATION | OBJECTIVE   | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS           |
| NATIONAL COOPERATION                | formal cooperation - cooperation agreements    | Are there any cooperation agreements concluded with law enforcement institutions?   |   | administrative investigative body (MA/AFCOS)          | yes/no     | conclude cooperation agreements   |                                      |                       |                                      | cooperation agreements               |
|                                     |  | Are there cooperation agreements between MA - AFCOS (if it has investigative powers)?   |   | administrative investigative body (MA/AFCOS)          | yes/no     | conclude cooperation agreements   |                                      |                       |                                      | cooperation agreements               |
|                                     |  | Are there any cooperation agreements between MA/AFCOS (with investigative powers) and judicial authorities?                               |   | investigative body (both administrative and criminal) | yes/no     | conclude cooperation agreements   |                                      |                       |                                      | cooperation agreements               |
|                                     | informal cooperation - operational cooperation | Do MA/AFCOS have the possibility to conduct joint investigations?   |   | administrative investigative body (MA/AFCOS)          | yes/no     | draw up an operational cooperation procedure at administrative level                        |                                      |                       |                                      | cooperation agreements / legislation |
|                                     |  | Is there an obligation for the controlled person to cooperate with investigation team?  |   | investigative body (both administrative and criminal) | yes/no     | amend the legislation with the obligation to cooperate for the entities under investigation |                                      |                       |                                      | legislation                          |
|                                     |  | Are there any sanctions provided in case of refusal to cooperate?   |   | investigative body (both administrative and criminal) | yes/no     | modify the legal framework in order to stipulate fines for refusal to cooperate             |                                      |                       |                                      | legislation                          |
|                                     |  | Do administrative investigation teams have access to premises, means of transport, used for economic purpose?                             |   | administrative investigative body (MA/AFCOS)          | yes/no     | amend the legislation with such a provision   |                                      |                       |                                      | legislation                          |
|                                     |  | Is there an obligation for the controlled person to give information and documents necessary to finalize the investigation?               |   | administrative investigative body (MA/AFCOS)          | yes/no     | amend the legislation with the obligation to cooperate for the entities under investigation |                                      |                       |                                      | legislation                          |
|                                     |  | Can the administrative investigation team take statements concerning the irregularities & suspected fraud?                                |   | administrative investigative body (MA/AFCOS)          | yes/no     | amend the legislation with such a provision   |                                      |                       |                                      | legislation                          |
|                                     |  | Is there an obligation for the law enforcement institutions to provide support to investigation teams during investigation, upon request? |   | administrative investigative body (MA/AFCOS)          | yes/no     | conclude cooperation agreements in order to ensure such support                             |                                      |                       |                                      | legislation / cooperation agreements |

| EVALUATION OF THE CURRENT SITUATION |  |   |   |   |                   | SETTING THE OBJECTIVES   |                                      |                       |                                      |                                     |
|-------------------------------------|--|---|---|---|-------------------|--|--------------------------------------|-----------------------|--------------------------------------|-------------------------------------|
| AREA                                | TOPIC  | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                 | EVALUATION        | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS          |
| NATIONAL COOPERATION                | informal cooperation - operational cooperation                 | Can the statements taken by administrative investigative body during investigation be used in the penal investigation?      |   | investigative body (both administrative and criminal) | yes/no            | amend the criminal provisions in order to create the possibility for statements taken by administrative bodies to be used as means of evidence in the criminal investigation |                                      |                       |                                      | legislation                         |
|                                     |  | Is there a procedure for operational cooperation between administrative bodies and judicial authorities?                    |   | investigative body (both administrative and criminal) | yes/no            | conclude cooperation agreements  |                                      |                       |                                      | cooperation agreement / legislation |
|                                     |  | Is the cooperation procedure formal or informal?  |   | investigative body (both administrative and criminal) | formal/ informal  | conclude cooperation agreements  |                                      |                       |                                      | cooperation agreement / legislation |
|                                     |  | Can the prosecutor use the control reports of administrative investigative body as means of evidence in the criminal trial? |   | criminal investigative body (Prosecutor Office)       | yes/no            | amend the criminal provisions in order to create the possibility for control reports of administrative bodies to be used as means of evidence in the criminal trail          |                                      |                       |                                      | legislation                         |
|                                     | informal cooperation - communication                           | Communication between structures involved in investigating irregularities/fraud is regulated?                               |   | investigative body (both administrative and criminal) | yes/no            | create a communicators network   |                                      |                       |                                      |                                     |
|                                     |  | How would you appreciate the communication?   |   | investigative body (both administrative and criminal) | good/insufficient | organise periodic / ad hoc meetings in order to clarify certain operational aspects  |                                      |                       |                                      | no of meetings                      |
| EUROPEAN COOPERATION                | AFCOS / other structures with investigative powers - with OLAF | Is operational cooperation with OLAF stipulated by law?   |   | administrative investigative body (MA/AFCOS)          | yes/no            | amend the legislation with provisions on cooperation with OLAF   |                                      |                       |                                      | legislation                         |
|                                     |  | Is there a cooperation agreement with OLAF?   |   | administrative investigative body (MA/AFCOS)          | yes/no            | conclude a cooperation agreement   |                                      |                       |                                      | cooperation agreement               |
|                                     |  | Can investigators participate in joint investigations with OLAF?  |   | administrative investigative body (MA/AFCOS)          | yes/no            | modify the legal framework in order to stipulate the possibility to participate in joint investigations  |                                      |                       |                                      | no of common joint investigations   |

| EVALUATION OF THE CURRENT SITUATION |  |  |   |   |                               | SETTING THE OBJECTIVES  |                                      |                       |                                      |   |
|-------------------------------------|--|--|---|---|-------------------------------|---|--------------------------------------|-----------------------|--------------------------------------|---|
| AREA                                | TOPIC  | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                 | EVALUATION                    | OBJECTIVE   | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS  |
| EUROPEAN COOPERATION                | AFCOS / other structures with investigative powers - with OLAF | Can an investigation be opened following OLAF request?   |   | administrative investigative body (MA/AFCOS)          | yes/no                        | modify the legal framework in order to stipulate the possibility open an investigation following OLAF's request                   |                                      |                       |                                      | no of investigation opened upon OLAF's request                                    |
|                                     |  | No of cases originated from request of OLAF  |   | administrative investigative body                     |                               |   |                                      |                       |                                      | no of cases / total no of cases opened  |
|                                     |  | Information concerning investigations is sent to OLAF? (Regarding both administrative and judicial investigations) |   | administrative investigative body (MA/AFCOS)          | yes/no                        | inform OLAF on the outcomes of investigations related to fraud opened following its notification                                  |                                      |                       |                                      | follow up information sent to OLAF  |
|                                     |  | Frequency of communication - results of investigation  |   | administrative investigative body (MA/AFCOS)          | automatically/ upon request   | automatically send information on the outcomes of investigations opened following OLAF's request                                  |                                      |                       |                                      | follow up information sent to OLAF  |
|                                     |  | What is the follow up of OLAF's investigation report at national level   |   | administrative investigative body (MA/AFCOS)          | complaint / established fraud | clearly stipulate the follow up of OLAF investigation reports   |                                      |                       |                                      | legislation   |
|                                     |  | Is there any technical assistance for investigation matters?   |   | administrative investigative body (MA/AFCOS)          | yes/no                        |   |                                      |                       |                                      | requests for technical assistance   |
|                                     | with other EU institutions                                     | Do you participate in working groups at EU level?  |   | investigative body (both administrative and criminal) | yes/no                        | investigators participate in relevant working groups at EU level and disseminate the outcomes to colleagues                       |                                      |                       |                                      | working groups / trainings at EU level  |
|                                     | with similar structures from MS                                | Is there a possibility to cooperate at operational level with similar structures from MS ?                         |   | investigative body (both administrative and criminal) | yes/no                        | conclude cooperation agreements   |                                      |                       |                                      | legislation / cooperation agreements  |
|                                     |  | Can investigators participate in joint investigations ?  |   | investigative body (both administrative and criminal) | yes/no                        | modify the legal framework in order to stipulate the possibility to participate in joint investigations                           |                                      |                       |                                      | no of joint investigations  |
|                                     |  | Can an investigation be opened following request of an institution from another MS?                                |   | investigative body (both administrative and criminal) | yes/no                        | modify the legal framework in order to stipulate the possibility open an investigation following request of a similar institution |                                      |                       |                                      | no of investigations opened upon notification of similar structures from other MS |
|                                     |  | Is there an exchange of information at investigative level with similar structures from                            |   | investigative body (both administrative and           | yes/no                        | create a communicators network  |                                      |                       |                                      | communicators network   |

| EVALUATION OF THE CURRENT SITUATION |   |   |   |   |   | SETTING THE OBJECTIVES                |                                      |                       |                                      |                            |
|-------------------------------------|---|---|---|---|---|---------------------------------------|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC   | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION           | EVALUATION  | OBJECTIVE                             | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| LEGISLATION                         | existence of national law governing administrative/criminal investigation       | Preventive regulations should be introduced in the legislation assigning the Supervisory Authorities, responsible for checking upon the correct use of the EU funds, the possibility of resorting to valid and incisive investigation |   |   |   |                                       |                                      |                       |                                      |                            |
|                                     |   | Is there a legal framework for administrative investigation?  |   | administrative investigative body (MA/AFCOS)    | yes/no  | to create the legal framework         |                                      |                       |                                      | legislation                |
|                                     |   | Is there a legal framework for criminal investigation?  |   | criminal investigative body (Prosecutor Office) | yes/no  | to create the legal framework         |                                      |                       |                                      | legislation                |
|                                     |   | Is there a national law governing the prosecution phase?  |   | criminal investigative body (Prosecutor Office) | yes/no  | to create the legal framework         |                                      |                       |                                      | legislation                |
|                                     |   | Law on sanction / penalties for irregularities and fraud cases.   |   | criminal investigative body (Prosecutor Office) | yes/no  | to create the legal framework         |                                      |                       |                                      | legislation                |
|                                     |   | Fraud related to EU funds is a special criminal offence?  |   | criminal investigative body (Prosecutor Office) | yes/no  | to modify/clarify the legal framework |                                      |                       |                                      | legislation                |
|                                     |   | Fraud related to EU funds is assimilated to another existing criminal offence?  |   | criminal investigative body (Prosecutor Office) | yes/no  | to modify/clarify the legal framework |                                      |                       |                                      | legislation                |
|                                     |   | Fraud affecting EU funds has the same legal treatment as fraud affecting national co-financing funds?   |   | criminal investigative body (Prosecutor Office) | yes/no  | to modify/clarify the legal framework |                                      |                       |                                      | legislation                |
|                                     |   | What is the legal value of the final report of AFCOS investigation?   |   | AFCOS   | evidentiary value / notification for further procedures | to modify/clarify the legal framework |                                      |                       |                                      | legislation                |
|                                     |   | What is the legal value of the final report of MA investigation?  |   | MA  | evidentiary value / notification for further procedures | to modify/clarify the legal framework |                                      |                       |                                      | legislation                |
|                                     | clear and adequate national law governing administrative/criminal investigation | Legal framework regarding administrative investigation is sufficiently clear and adequate?  |   | administrative investigative body (MA/AFCOS)    | yes/no  | to modify/clarify the legal framework |                                      |                       |                                      | legislation                |
|                                     |   | Legal framework regarding criminal investigation is sufficiently clear and adequate?  |   | criminal investigative body (Prosecutor Office) | yes/no  | to modify/clarify the legal framework |                                      |                       |                                      | legislation                |



| EVALUATION OF THE CURRENT SITUATION |   |  |   |   |                             | SETTING THE OBJECTIVES   |                                      |                       |                                      |                            |
|-------------------------------------|---|--|---|---|-----------------------------|--|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC   | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                         | EVALUATION                  | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| LEGISLATION                         | clear and adequate national law governing administrative/criminal                         | Legal framework governing the prosecution phase is sufficiently clear and adequate?              |   | criminal investigative body (Prosecutor Office)               | yes/no                      | to modify/clarify the legal framework  |                                      |                       |                                      | legislation                |
|                                     |   | Are the investigative competences of MA and AFCOS clearly differentiated in the legal framework? |   | administrative investigative body (MA/AFCOS)                  | yes/no                      | to modify/clarify the legal framework  |                                      |                       |                                      | legislation                |
|                                     | national law on whistleblowing  | Is there a law on whistleblowing?  |   | Prosecutor Office   | yes/no                      | to create the legal framework  |                                      |                       |                                      | legislation                |
|                                     |   | The law is sufficiently clear and adequate?  |   | Prosecutor Office   | yes/no                      | to modify/clarify the legal framework  |                                      |                       |                                      | legislation                |
|                                     | national law on whiteness protection  | Is there a law on whiteness protection?  |   | Prosecutor Office   | yes/no                      | to create the legal framework  |                                      |                       |                                      | legislation                |
|                                     |   | The law is sufficiently clear and adequate?  |   | Prosecutor Office   | yes/no                      | to modify/clarify the legal framework  |                                      |                       |                                      | legislation                |
|                                     | legislation / code of conduct for the experts involved in the investigation / prosecution | Is there a code of conduct for the experts involved in the investigation / prosecution phase?    |   | investigative body (both administrative and criminal)         | yes/no                      | draft a code of conduct for investigators  |                                      |                       |                                      | legislation                |
|                                     |   | Are the rules sufficiently clear and adequate?   |   | investigative body (both administrative and criminal)         | yes/no                      | update the code of conduct   |                                      |                       |                                      | legislation                |
|                                     | national law governing personal data protection   | Is there a national law on personal data protection?   |   | public structure responsible with processing of personal data | yes/no                      | to create the legal framework  |                                      |                       |                                      | legislation                |
|                                     |   | The law is sufficiently clear and adequate?  |   | public structure responsible with processing of personal data | yes/no                      | to modify/clarify the legal framework  |                                      |                       |                                      | legislation                |
|                                     | national structures responsible for administrative investigations                         | is it centralised or decentralised?  |   | administrative investigative body (MA/AFCOS)                  | centralised / decentralised | amend the Regulation on the organisation and functioning of the structure with provisions regarding the organisation |                                      |                       |                                      | ROF, law                   |
|                                     |   | is it part of a larger structure?  |   | administrative investigative body (MA/AFCOS)                  | yes/no                      | amend the Regulation on the organisation and functioning of the structure with provisions regarding the organisation |                                      |                       |                                      | ROF, law                   |

| EVALUATION OF THE CURRENT SITUATION |  |  |   |   |                             | SETTING THE OBJECTIVES   |                                      |                       |                                      |                            |
|-------------------------------------|--|--|---|---|-----------------------------|--|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC  | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION           | EVALUATION                  | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| ORGANISATION                        | national structure responsible for criminal investigations     | is it a specialised judicial structure?  |   | criminal investigative body (Prosecutor Office) | yes/no                      | create a specialised judicial unit for dealing with fraud to EU funds  |                                      |                       |                                      | legislation                |
|                                     |  | is it centralised or decentralised?  |   | criminal investigative body (Prosecutor Office) | centralised / decentralised | amend the Regulation on the organisation and functioning of the structure with provisions regarding the organisation |                                      |                       |                                      | ROF, law                   |
|                                     |  | is it part of a larger structure?  |   | criminal investigative body (Prosecutor Office) | yes/no                      | amend the Regulation on the organisation and functioning of the structure with provisions regarding the organisation |                                      |                       |                                      | ROF, law                   |
|                                     |  | is there a specialized judicial structure for investigating fraud to EU funds? |   | criminal investigative body (Prosecutor Office) | yes/no                      | create a specialised judicial unit for dealing with fraud to EU funds  |                                      |                       |                                      | legislation                |
|                                     | responsibilities of the administrative investigative structure | are the structure and responsibilities stipulated by law?                      |   | administrative investigative body (MA/AFCOS)    | yes/no                      | to create a legal framework of the empowerment   |                                      |                       |                                      | ROF, law                   |
|                                     |  | is it independent functionally and operationally?                              |   | administrative investigative body (MA/AFCOS)    | yes/no                      | conferring, by law, functional and operational independence  |                                      |                       |                                      | ROF, law                   |
|                                     |  | scope of its responsibilities regarding investigation phase?                   |   | administrative investigative body (MA/AFCOS)    | broad/small                 | amend the law / regulation with clear responsibilities regarding investigation phase                                 |                                      |                       |                                      | ROF, law                   |
|                                     | responsibilities of the criminal investigative structure       | are the structure and responsibilities stipulated by law?                      |   | criminal investigative body (Prosecutor Office) | yes/no                      | to create a legal framework of the empowerment   |                                      |                       |                                      | ROF, law                   |
|                                     |  | is it independent functionally and operationally?                              |   | criminal investigative body (Prosecutor Office) | yes/no                      | conferring, by law, functional and operational independence  |                                      |                       |                                      | ROF, law                   |
|                                     |  | scope of its responsibilities regarding investigation phase?                   |   | criminal investigative body (Prosecutor Office) | broad/small                 | amend the law / regulation with clear responsibilities regarding investigation phase                                 |                                      |                       |                                      | ROF, law                   |

| EVALUATION OF THE CURRENT SITUATION |  |  |   |   |            | SETTING THE OBJECTIVES   |                                      |                       |                                      |                                     |
|-------------------------------------|--|--|---|---|------------|--|--------------------------------------|-----------------------|--------------------------------------|-------------------------------------|
| AREA                                | TOPIC  | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                 | EVALUATION | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS          |
| MANAGEMENT AND ACTORS               | organizational chart of the structure (for both administrative and criminal investigative institution) | Is there an organisational chart of the structure indicating the cooperation/subordination relations?  |   | investigative body (both administrative and criminal) | yes/no     | amend the ROF with the organisational chart  |                                      |                       |                                      | ROF                                 |
|                                     | management (for both administrative and criminal investigative institution)                            | Who is the head of the investigative structure?  |   | investigative body (both administrative and criminal) |            |  |                                      |                       |                                      | legislation                         |
|                                     |  | Is there a subordination relation to another management?   |   | investigative body (both administrative and criminal) | yes/no     | ensure the independence of the management  |                                      |                       |                                      | legislation                         |
|                                     | internal collaborators (for both administrative and criminal investigative institution)                | Are there any internal cooperation relations with another units, provided by law ?   |   | investigative body (both administrative and criminal) | yes/no     | include in the ROF the cooperation relations with another units within the institution |                                      |                       |                                      | ROF, law                            |
|                                     |  | should the activities undertaken lead to believe a crime has been perpetrated, fast and timely action shall be taken, in agreement with the relevant office of the Prosecutor, proceeding with searches, seizures, banking and assets investigations and, should the preconditions exist- in flagrante delicto arrests and precautionary measures, always under the supervision of the Judicial Authority. |   |   |            |  |                                      |                       |                                      |                                     |
|                                     | external collaborators (for both administrative and criminal investigative institution)                | Do the investigation teams benefit from the help of other national institutions during the investigation?  |   | investigative body (both administrative and criminal) | yes/no     | conclude cooperation agreements in order to involve other relevant institutions        |                                      |                       |                                      | legislation, cooperation agreements |
|                                     |  | Is there an obligation for law enforcement structures to offer their support, upon request, to the investigation teams?  |   | investigative body (both administrative and criminal) | yes/no     | create/modify legislation or conclude cooperation agreements                           |                                      |                       |                                      | legislation, cooperation agreements |
|                                     |  | AFCOS investigation teams may benefit from the help MA during the investigation?   |   | administrative investigative body (MA/AFCOS)          | yes/no     | create/modify legislation or conclude cooperation agreements                           |                                      |                       |                                      | legislation, cooperation agreements |
|                                     |  | MA investigation teams may benefit from the help of AFCOS during the investigation?  |   | administrative investigative body (MA/AFCOS)          | yes/no     | create/modify legislation or conclude cooperation agreements                           |                                      |                       |                                      | legislation, cooperation agreements |

| EVALUATION OF THE CURRENT SITUATION |  |   |   |   |            | SETTING THE OBJECTIVES   |                                      |                       |                                      |                                  |
|-------------------------------------|--|---|---|---|------------|--|--------------------------------------|-----------------------|--------------------------------------|----------------------------------|
| AREA                                | TOPIC  | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                 | EVALUATION | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS       |
| PROCEDURES                          | notifications procedure (both administrative and criminal level) | Is there a procedure concerning the treatment of notifications? |   | investigative body (both administrative and criminal) | yes/no     | draft an internal procedure concerning the treatment of notifications  |                                      |                       |                                      | internal procedure               |
|                                     |  | Is the procedure clear and adequate?                            |   | investigative body (both administrative and criminal) | yes/no     | amend the internal procedure concerning the treatment of notifications |                                      |                       |                                      | internal procedure               |
|                                     |  | Are the sources of notification clearly stipulated?             |   | investigative body (both administrative and criminal) | yes/no     | amend the internal procedure concerning the treatment of notifications |                                      |                       |                                      | legislation / internal procedure |
|                                     |  | Is there a potential impact of fraud analysis?                  |   | investigative body (both administrative and criminal) | yes/no     | elaborate fraud risk analysis periodically                             |                                      |                       |                                      | fraud risk analysis              |
|                                     | efficiency of the notification procedure at administrative level | no of cases originating from requests of MA/AA                  |   | administrative investigative body (MA/AFCOS)          |            |  |                                      |                       |                                      | no of cases / total no of cases  |
|                                     |  | no of cases on own initiative                                   |   | administrative investigative body (MA/AFCOS)          |            |  |                                      |                       |                                      | no of cases / total no of cases  |
|                                     |  | no of cases from judicial authorities                           |   | administrative investigative body (MA/AFCOS)          |            |  |                                      |                       |                                      | no of cases / total no of cases  |
|                                     |  | no of cases from other sources                                  |   | administrative investigative body (MA/AFCOS)          |            |  |                                      |                       |                                      | no of cases / total no of cases  |
|                                     | efficiency of the notification procedure at criminal level       | no of cases originating from requests of MA/AFCOS               |   | criminal investigative body (Prosecutor Office)       |            |  |                                      |                       |                                      | no of cases / total no of cases  |
|                                     |  | no of cases on own initiative                                   |   | criminal investigative body (Prosecutor Office)       |            |  |                                      |                       |                                      | no of cases / total no of cases  |
|                                     |  | no of cases from other sources                                  |   | criminal investigative body (Prosecutor Office)       |            |  |                                      |                       |                                      | no of cases / total no of cases  |

| EVALUATION OF THE CURRENT SITUATION |   |  |   |   |            | SETTING THE OBJECTIVES   |                                      |                       |                                      |                            |
|-------------------------------------|---|--|---|---|------------|--|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA                                | TOPIC   | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION           | EVALUATION | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| PROCEDURES                          | starting the investigation at administrative level            | is there a procedure on starting the investigation?  |   | administrative investigative body (MA/AFCOS)    | yes/no     | draft an internal procedure concerning the opening of investigations                           |                                      |                       |                                      | internal procedure         |
|                                     |   | Is the procedure clear and adequate?   |   | administrative investigative body (MA/AFCOS)    | yes/no     | amend the internal procedure concerning the opening of investigation                           |                                      |                       |                                      | internal procedure         |
|                                     |   | are there investigations started following a fraud risk assessment analysis?   |   | administrative investigative body (MA/AFCOS)    | yes/no     | elaborate fraud risk analysis periodically   |                                      |                       |                                      | fraud risk analysis        |
|                                     |   | who decides on opening an investigation or not?  |   | administrative investigative body (MA/AFCOS)    |            | establish an objective and clear procedure for opening investigations                          |                                      |                       |                                      | investigation mandate      |
|                                     | starting the investigation at criminal level                  | does the Criminal Procedure Code apply to opening investigations on suspected fraud to EU funds?   |   | criminal investigative body (Prosecutor Office) | yes/no     | amend the legislation in order to include the offences to EU funds within the framework of CPP |                                      |                       |                                      | CPP                        |
|                                     |   | are there any special rules on opening an investigation concerning suspected fraud to EU funds?  |   | criminal investigative body (Prosecutor Office) | yes/no     | amend the legislation in order to include the offences to EU funds within the framework of CPP |                                      |                       |                                      | legislation                |
|                                     | investigation phases (both administrative and criminal level) | Authorities should be able to make on the spot checks at the registered offices of the beneficiary, even against his will to search upon documents, inspect and verify the IT tools being used within the company;             |   |   |            |  |                                      |                       |                                      |                            |
|                                     |   | Authorities should be able to invite beneficiaries to appear before the Control Authorities either personally or via representatives to show documents or provide useful data, news and clarifications for the investigations; |   |   |            |  |                                      |                       |                                      |                            |
|                                     |   | Authorities should be able to require even third parties (suppliers or clients of the verified beneficiary) data, news and useful elements for the development of the investigations by means of adequate questionnaires;      |   |   |            |  |                                      |                       |                                      |                            |
|                                     |   | Authorities should be able to check “documents” to assess i.e. the correctness of the guarantees provided, the destination of use of the funded asset etc.   |   |   |            |  |                                      |                       |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION  |   |  |   |   |            | SETTING THE OBJECTIVES   |                                      |                       |                                      |                            |
|--|---|--|---|---|------------|--|--------------------------------------|-----------------------|--------------------------------------|----------------------------|
| AREA   | TOPIC   | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION   | EVALUATION | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| PROCEDURES   | investigation phases (both administrative and criminal level) | Authorities should be able to perform “cross checks” even in the registered offices of third parties (suppliers or clients of the verified subject) –even against their will- should invoices for “suspect” transactions occur;                        |   |   |            |  |                                      |                       |                                      |                            |
|  |   | Authorities should be able to require copy of the proceedings and documents being registered by notaries, register attorneys, land registrars and public officers;   |   |   |            |  |                                      |                       |                                      |                            |
|  |   | Authorities should be able to assess accounts and banking and postal deposits to double-check the truthfulness of the accounting documents and namely, assess the regular and effective payment of invoices should suspect transactions be identified; |   |   |            |  |                                      |                       |                                      |                            |
|  |   | is there an internal procedure stipulating the investigation steps?  |   | investigative body (both administrative and criminal)   | yes/no     | draft an internal procedure / legislation for the investigation phases                                       |                                      |                       |                                      | internal procedure / law   |
|  |   | Is the procedure clear and adequate?   |   | investigative body (both administrative and criminal)   | yes/no     | amend the internal procedure / legislation for the investigation phases with necessary provisions            |                                      |                       |                                      | internal procedure / law   |
|  |   | Are there national guidelines for dealing with irregularities / suspected fraud?   |   | administrative investigative body (MA/AFCOS)  | yes/no     | drafting guidelines  |                                      |                       |                                      | guidelines                 |
|  |   | Is there a rotation of investigators within investigation teams ?  |   | investigative body (both administrative and criminal)   | yes/no     | draft / amend the internal procedure in order to include staff rotation and criteria for assignment of cases |                                      |                       |                                      | internal procedure         |
|  |   | The assignment of cases to investigation teams is made upon certain criteria (their specialisation on certain EU fund, workload, etc. )  |   | investigative body (both administrative and criminal)   | yes/no     | draft / amend the internal procedure in order to include staff rotation and criteria for assignment of cases |                                      |                       |                                      | internal procedure         |
| Is there the possibility to impose seizure by the prosecutor and / or by administrative authorities? |   | investigative body (both administrative and criminal)  | yes/no                                  | amend the legislation in order to stipulate seizure / avoid the possibility to impose seizure on the same assets by both prosecutor and administrative body |            |  |                                      | legislation           |                                      |                            |

| EVALUATION OF THE CURRENT SITUATION |   |  |   |   |                                    | SETTING THE OBJECTIVES  |                                      |                       |                                      |   |
|-------------------------------------|---|--|---|---|------------------------------------|---|--------------------------------------|-----------------------|--------------------------------------|---|
| AREA                                | TOPIC   | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                 | EVALUATION                         | OBJECTIVE   | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS                                  |
| PROCEDURES                          | follow up of investigation (both administrative and criminal level) | Is there a procedure / legal framework on follow up?   |   | investigative body (both administrative and criminal) | yes/no                             | draft an internal procedure / legislation on follow-up of investigations  |                                      |                       |                                      | internal procedure / law                                    |
|                                     |   | Is the procedure clear and adequate?   |   | investigative body (both administrative and criminal) | yes/no                             | amend internal procedure / legislation on follow-up of investigations   |                                      |                       |                                      | internal procedure / law                                    |
|                                     |   | are there any administrative sanctions stipulated in national law?   |   | administrative investigative body (MA/AFCOS)          | yes/no                             | modify the legislation - include administrative sanctions   |                                      |                       |                                      | legislation   |
|                                     |   | suspected fraud detected are sent to judicial authorities?   |   | administrative investigative body (MA/AFCOS)          | yes/no                             | stipulate in the legislation that suspected fraud detected in administrative investigation is immediately and compulsory sent to judicial authorities |                                      |                       |                                      | legislation   |
|                                     |   | the outcome of the investigation is communicated to the person investigated?   |   | investigative body (both administrative and criminal) | yes/no always/upon request         | modify the legislation - the person investigated should always be informed on the outcomes of investigation   |                                      |                       |                                      | legislation / internal procedure                            |
|                                     | efficiency of investigation phase                                   | no of investigations finalized and outcomes  |   | investigative body (both administrative and criminal) |                                    |   |                                      |                       |                                      | no of cases finalised / no of cases opened / year           |
|                                     |   | no of suspicion of fraud confirmed by judicial authorities   |   | investigative body (both administrative and criminal) |                                    |   |                                      |                       |                                      | no of cases confirmed / no of cases notified                |
|                                     |   | no of irregularities recovered   |   | administrative investigative body (MA/AFCOS)          |                                    |   |                                      |                       |                                      | no of irregularities recovered / total no of irregularities |
|                                     |   | is there a centralized follow-up?  |   | investigative body (both administrative and criminal) | yes/no periodically / upon request |   |                                      |                       |                                      | centralised follow up each semester                         |
|                                     | exchange of information   | Is there a procedure for the exchange of information at operational level between administrative investigative body and Prosecutor Office? |   | investigative body (both administrative and criminal) | yes/no                             | draft an internal procedure for the exchange of information   |                                      |                       |                                      | internal procedure  |
|                                     |   | Is there a procedure for the exchange of information at operational level between AFCOS and MA?  |   | administrative investigative body (MA/AFCOS)          | yes/no                             | draft an internal procedure for the exchange of information   |                                      |                       |                                      | internal procedure  |

| EVALUATION OF THE CURRENT SITUATION |                 |  |   |   |            | SETTING THE OBJECTIVES   |                                      |                       |                                      |   |
|-------------------------------------|-----------------|--|---|---|------------|--|--------------------------------------|-----------------------|--------------------------------------|---|
| AREA                                | TOPIC           | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                 | EVALUATION | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS                              |
| MEANS AND RESOURCES                 | Human Resources | are there enough experts to investigate irregularities / suspected fraud ?   |   | administrative investigative body (MA/AFCOS)          | yes/no     | new staff employment   |                                      |                       |                                      | % occupation of staff scheme                            |
|                                     |                 | are there enough prosecutors specialized in investigating frauds to EU funds?  |   | criminal investigative body (Prosecutor Office)       | yes/no     | specialised professional training  |                                      |                       |                                      | no of investigations / prosecutor / year                |
|                                     |                 | the experts are specialized on types of EU funds / own resources?  |   | investigative body (both administrative and criminal) | yes/no     | training personnel   |                                      |                       |                                      | training sessions                                       |
|                                     |                 | do they have training sessions, exchange of know how etc.?   |   | investigative body (both administrative and criminal) | yes/no     | increasing the no of training sessions; specialized training   |                                      |                       |                                      | no of training sessions / investigator / year           |
|                                     |                 | do you deal with migration of personnel?   |   | investigative body (both administrative and criminal) | yes/no     | depending of the reason of migration: prising methods, employment of new staff in order to decrease workload, etc. |                                      |                       |                                      | no of investigators leaving the institution / year      |
|                                     |                 | the income of investigators is at an appropriate level in order to prevent migration?  |   | investigative body (both administrative and criminal) | yes/no     | initiate legal procedures in order to increase the income of investigators by %                                    |                                      |                       |                                      | level of income / income of staff in similar structures |
|                                     |                 | are there any other prising methods?   |   | investigative body (both administrative and criminal) | yes/no     | introduce prising methods upon performance   |                                      |                       |                                      | type of prising   |
|                                     | Training        | Investigators/prosecutors involved in investigation attend training sessions?  |   | investigative body (both administrative and criminal) | yes/no     | organise / subscribe investigators / prosecutors to training sessions  |                                      |                       |                                      | training sessions attended                              |
|                                     |                 | Frequency of training sessions for investigators   |   | investigative body (both administrative and criminal) |            | organise / subscribe investigators / prosecutors to training sessions  |                                      |                       |                                      | no of sessions / year                                   |
|                                     |                 | Is AFCOS coordinating at national level the training for MA and Prosecutor Office in the field of investigating fraud to EU funds? |   | AFCOS   | yes/no     | modify the legal framework in order to designate AFCOS as coordinator of trainings at national level               |                                      |                       |                                      | legislation   |



| EVALUATION OF THE CURRENT SITUATION |               |   |   |   |                   | SETTING THE OBJECTIVES   |                                      |                       |                                      |                                       |
|-------------------------------------|---------------|---|---|---|-------------------|--|--------------------------------------|-----------------------|--------------------------------------|---------------------------------------|
| AREA                                | TOPIC         | KEY ITEMS   | ADDITIONAL INFORMATION TO THE KEY ITEMS | AUTHORITY CARRYING OUT THE EVALUATION                 | EVALUATION        | OBJECTIVE  | AUTHORITY IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | TARGET GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS            |
| MEANS AND RESOURCES                 | IT tools      | Do investigators have access to databases (legal DB, DB regarding natural and legal persons, central exclusion database etc.)                                     |   | investigative body (both administrative and criminal) | yes/no            | conclude protocols in order to obtain access to relevant DB  |                                      |                       |                                      | cooperation agreement / protocols     |
|                                     |               | DB access is direct or through other institutions, on demand or based on cooperation agreement?   |   | investigative body (both administrative and criminal) | direct / indirect | improve / extend access to DB  |                                      |                       |                                      | cooperation agreement / protocols     |
|                                     |               | Do you use a hot line or other notification systems?  |   | administrative investigative body (MA/AFCOS)          | yes/no            | develop a hot line notification system   |                                      |                       |                                      | hot line / other notification system  |
|                                     |               | Do you have online irregularity alert?  |   | administrative investigative body (MA/AFCOS)          | yes/no            | develop an online irregularity alert platform  |                                      |                       |                                      | online irregularity alert platform    |
|                                     |               | Is there a common BD at administrative and investigative level providing a history sheet for the cases investigated?  |   | investigative body (both administrative and criminal) | yes/no            | create a BD  |                                      |                       |                                      | DB with investigations history sheets |
|                                     |               | Is there a fraud risk DB?   |   | investigative body (both administrative and criminal) | yes/no            | create a BD  |                                      |                       |                                      | Fraud risks DB                        |
|                                     | Communication | Is there a communication strategy at national level concerning PIF?   |   | investigative body (both administrative and criminal) | yes/no            | drafting a communication strategy  |                                      |                       |                                      | communication strategy                |
|                                     |               | Are the outcomes of investigations communicated to the public?  |   | investigative body (both administrative and criminal) | yes/no            | press releases available online following the end of investigation   |                                      |                       |                                      | press releases                        |
|                                     |               | Do you make an analysis of the investigation actions / prosecutions?  |   | investigative body (both administrative and criminal) | yes/no            | Elaborate such an analysis within the activity report?   |                                      |                       |                                      | analysis of the investigation cases   |
|                                     |               | Is AFCOS coordinating/facilitating at national level the communication between MA and Prosecutor Office regarding investigation/prosecution of fraud to EU funds? |   | AFCOS   | yes/no            | create the legal framework/conclude cooperation agreements in order to designate AFCOS as coordinator of trainings at national level |                                      |                       |                                      | legislation / cooperation agreements  |
| INVESTIGATION                       | Results       | Investigations closed...etc.  |   |   |                   |  |                                      |                       |                                      |                                       |

## **5. Recovery and Sanctions**

Recovery and sanctions should be effective and rigorously followed up by the relevant administrative and law enforcement authorities.

Experts identified the following key elements to consider regarding 'Recovery and Sanctions':

- Need for exchange of information (i.e. national and cross-boarder cooperation)

- Adequate and specific measures to guarantee the timely and full recovery of unduly paid amounts

- Guidelines / rules of procedure regarding bankruptcies, liquidations and debt management

- Human resources, training and IT tools

- Measuring the efficiency of the recovery process

| EVALUATION OF THE CURRENT SITUATION |                                 |  |   |                                       |            | SETTING THE OBJECTIVES  |                            |                       |                               |                            |
|-------------------------------------|---------------------------------|--|---|---------------------------------------|------------|---|----------------------------|-----------------------|-------------------------------|----------------------------|
| AREA                                | TOPIC                           | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS   | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE   | IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| NATIONAL AND EUROPEAN COOPERATION   | Exchange of information         | National cooperation   | 1) Publication of examples on the websites of IBs. 2) Movement of information about fraudsters (TCB's data). 3) Informing the public (close cooperation with partners when assistance is processed)   |                                       |            | Publication of court rulings and other breaches/'video examples' - selection of success stories :) It is important to point out that all breaches are dealt with irrespective of the amount |                            |                       |                               |                            |
|                                     |                                 | Cross-border cooperation   | Professional assistance, AFCOS, OLAF. Use of EU databases.  |                                       |            | Cooperation agreements (for use of databases free of charge etc.), cooperation in resolution of cases.  |                            |                       |                               |                            |
| LEGISLATION AND PROCEDURES          | Legislation                     | Adequate and specific measures shall be adopted to guarantee the timely and full recovery of unduly paid amounts.  |   |                                       |            |   |                            |                       |                               |                            |
|                                     |                                 | Specific regulations should be introduced in the legislation enabling the administrative or criminal Judge, should there reason to believe the funds unlawfully/illegally perceived have been hidden by the beneficiary, to adopt the so called preventive seizure (or precautionary) even for an equivalent amount. | Such form of seizure should allow the administrative or criminal Judge to guarantee (freeze) the assets representing the price- that is the proceeds for the crime- and should this not be the case in a direct form- even in the so called equivalent form, that is by attacking all of the assets (EU funds' beneficiary) the subject may have, for an amount similar to the price or the proceeds (money, assets, properties, company shares etc.) |                                       |            |   |                            |                       |                               |                            |
|                                     |                                 | Debt collection  | Personal representative's personal liability, settlement of debts with assistance, taxes and other effective measures (non-issuing of permits if money is owed to the state etc.)   |                                       | yes/no     |   |                            |                       |                               |                            |
|                                     | Guidelines / rules of procedure | In bankruptcy cases of the EU funds' beneficiary, privilege should be attributed to the credits of the EU and the State in general, compared to all the other credits being admitted to the so called "bankruptcy assets"  |   |                                       |            |   |                            |                       |                               |                            |
|                                     |                                 | Bankruptcies/liquidations  | 1) The right to take away and sell the thing acquired with the assistance. 2) The state's claim higher in the list? The trustees-in-bankruptcy should be stricter in the activities (very few malicious bankruptcies)   |                                       |            | Reducing the loss of public funds   |                            |                       |                               |                            |

| EVALUATION OF THE CURRENT SITUATION |                                 |  |  |                                       |            | SETTING THE OBJECTIVES  |                            |                       |                               |                            |
|-------------------------------------|---------------------------------|--|--|---------------------------------------|------------|---|----------------------------|-----------------------|-------------------------------|----------------------------|
| AREA                                | TOPIC                           | KEY ITEMS  | ADDITIONAL INFORMATION TO THE KEY ITEMS  | AUTHORITY CARRYING OUT THE EVALUATION | EVALUATION | OBJECTIVE   | IMPLEMENTING THE OBJECTIVE | DEADLINE / TIME FRAME | GROUP CONCERNED BY THE ACTION | KEY PERFORMANCE INDICATORS |
| LEGISLATION AND PROCEDURES          | Guidelines / rules of procedure | Is the recovery procedure –as irregularity independent from the treatment of the suspected fraud? (Question related to the recovery stage) |  |                                       | yes/no     |   |                            |                       |                               |                            |
|                                     |                                 | Recovery limit and applicable period   | All suspicious cases are dealt with irrespective of the amount. Based on the right of discretion up to 100% of project costs and within reasonable time. Finding opportunities for recovery before a court ruling, on the basis of administrative procedure. Reducing 'tolerance', i.e. the option to endlessly submit 'new' documents |                                       | yes/no     | It is important to point out that all breaches are dealt with irrespective of the amount. What you have confirmed is what we proceed from (new documents cannot be submitted). Self-control and 'testing' the limits of the IBs will decrease |                            |                       |                               |                            |
|                                     |                                 | Budgetary tools  | In justified cases, it would be reasonable to pay the deposit itself (transactions can be reversed in malicious bankruptcies).   |                                       | yes/no     |   |                            |                       |                               |                            |
|                                     |                                 | Central management of debts to the state (e.g. TCB)  | A strike team that organises enforcement proceedings.  |                                       | yes/no     |   |                            |                       |                               |                            |
| MEANS AND RESOURCES                 | Human Resources                 | Competent officials who deal with debtors  | Higher level of ordinary processors (experience, skills)   |                                       | yes/no     | Required number of competent employees  |                            |                       |                               |                            |
|                                     | Training                        | Preparation and justification of recoveries.   | Practicum for the lawyers of institutions  |                                       | yes/no     | Harmonisation of the operation of the system  |                            |                       |                               |                            |
|                                     |                                 | Analysis of fraud cases  | Collection of modus operandi and court rulings to give everyone the opportunity to examine them (decision, decision on challenge, court ruling)  |                                       | yes/no     | We learn from the experience of others  |                            |                       |                               |                            |
| IT tools                            | Joint debt management           | Efficient protection of public funds, off-setting with assistance and taxes  |  | yes/no                                | E-state    |   |                            |                       |                               |                            |
| RECOVERY AND SANCTIONS RESULTS      | Results                         | Recovery time  | 1) Making the list of debtors public. 2) The option of repaying in instalments should be viewed critically.  |                                       | average    | Reducing the loss of public funds   |                            |                       |                               |                            |
|                                     |                                 | Receipt of recoveries  | 1) More efficient off-setting between various funds/with taxes. 2) More active operations of bailiffs  |                                       | % EE/IB    | Reducing the loss of public funds   |                            |                       |                               |                            |
|                                     |                                 | Comparison with other Member States (MS)   | Assistance returned to the EC, flat rate   |                                       | % EU/EE    | Better than the average   |                            |                       |                               |                            |
|                                     |                                 | Statistics on Recoveries and Sanctions   |  |                                       |            |   |                            |                       |                               |                            |

## **Annexes**

## **Annex 1: Technical notes and glossary**

### **An explanation to the xls document**

#### **How to read the document?**

The xls document is divided into five sheets. The first sheet contains the 'preliminary steps' and the other four correspond to the stages of the anti-fraud cycle: 'fraud prevention', 'fraud detection', 'investigation and prosecution' and 'recovery and sanctions'. The sheets follow the same logic and have the same structure. The sheets regarding the anti-fraud cycle are divided into two sections: 'Evaluation of the current situation' and 'Setting the objectives'. With this structure it is possible to directly connect the evaluation phase to the next phase of setting concrete objectives.

#### **Glossary of the column headings in detail** (when reading from left to right):

**AREA:** main areas of attention, such as 'National co-operation', 'Legislation', 'Procedures and guidelines' etc., which are subdivided into the more focused 'Topics' and to the concrete issues to assess, the 'Key items'.

**TOPIC:** subgroups of the 'Area'. For instance 'National co-operation' is subdivided into further topics, such as 'Co-ordination' and 'Exchange of information'.

**KEY ITEMS:** concrete issues to assess or concrete questions to be raised in order to be able to evaluate the current anti-fraud situation.

**ADDITIONAL INFORMATION TO THE KEY ITEMS:** serves to give further explanation to the 'Key items' fields or to deepen the scope of the main questions addressed by the 'Key items' fields.

**AUTHORITY CARRYING OUT THE EVALUATION:** an authority or body that is best placed to carry out the evaluation of the issues raised in 'Key items' fields.

**EVALUATION:** results of the evaluation of the issues listed in the 'Key items' field. The result can be qualitative or quantitative conclusion; it can be a simple 'yes/no' answer or a detailed assessment of the situation identifying weaknesses/strengths.

**OBJECTIVE:** upon the results of the evaluation it is possible to set an objective. The objective is directly linked to the 'Key item'.

**AUTHORITY IMPLEMENTING THE OBJECTIVE:** the authority or body who will be responsible to implement the given objective.

**DEADLINE / TIME FRAME:** it is desirable to set a deadline or a time-frame within which the objectives are to be achieved.

**TARGET GROUP CONCERNED BY THE ACTION:** this is the group that is concerned by the objective to be achieved, which is the target of the given action.

**KEY PERFORMANCE INDICATORS:** any indicator can be established in order to measure whether the objective was successfully completed. Like any indicator, it can be qualitative or quantitative.

## Annex 2: Process of the elaboration of a national anti-fraud strategy

