



Council of the
European Union

Brussels, 18 August 2015
(OR. en)

11470/15
ADD 6

GAF 30
FIN 557

COVER NOTE

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	31 July 2015
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	SWD(2015) 156 final
Subject:	Commission staff working document: Statistical evaluation of irregularities reported for 2014 Own Resources, Natural Resources, Cohesion Policy, Pre-accession and Direct expenditure accompanying the document "Report from the Commission to the European Parliament and the Council: Protection of the European Union's financial interests - Fight against Fraud Annual Report 2014"

Delegations will find attached document SWD(2015) 156 final.

Encl.: SWD(2015) 156 final

Brussels, 31.7.2015
SWD(2015) 156 final

COMMISSION STAFF WORKING DOCUMENT

**Statistical evaluation of irregularities reported for 2014
Own Resources, Natural Resources, Cohesion Policy, Pre-accession and Direct
expenditure**

Accompanying the document

**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**Protection of the European Union's financial interests - Fight against Fraud
Annual Report 2014**

{COM(2015) 386 final}
{SWD(2015) 151 final}
{SWD(2015) 152 final}
{SWD(2015) 153 final}
{SWD(2015) 154 final}
{SWD(2015) 155 final}

TABLE OF CONTENTS

COMMISSION STAFF WORKING DOCUMENT Statistical evaluation of irregularities reported for 2014 Own Resources, Natural Resources, Cohesion Policy, Pre-accession and Direct expenditure.....	
LIST OF ABBREVIATIONS.....	8
1. Introduction.....	10
1.1. Scope of the document.....	10
1.2. Structure of the document.....	10
Part I - REVENUES.....	11
2. Traditional Own Resources	11
2.1. Introduction.....	11
2.2. General analysis – Trend analysis	11
2.2.1. Reporting Years 2010-2014: Cases of fraud and irregularities	11
2.2.1.1. Irregularities reported as fraudulent.....	12
2.2.1.2. Irregularities not reported as fraudulent	12
2.2.2. Established and estimated amounts	13
2.2.3. Recovery	14
2.2.3.1. Recovery rates	15
2.3. Specific analysis	15
2.3.1. Irregularities reported as fraudulent.....	15
2.3.1.1. Modus operandi	15
2.3.1.2. Method of detection of fraud cases.....	16
2.3.1.3. Smuggled cigarettes.....	17
2.3.1.4. Articles of iron and steel – mutual assistance.....	18
2.3.1.5. Cases reported as fraudulent by amount.....	18
2.3.2. Irregularities not reported as fraudulent	18
2.3.2.1. Modus operandi	18
2.3.2.2. Method of detection of non-fraudulent cases	19
2.3.2.3. Footwear and textiles vulnerable to irregularities	20

2.3.2.4. Articles of iron and steel – mutual assistance.....	20
2.3.2.5. Cases not reported as fraudulent by amount.....	20
2.4. Member States’ activities	21
2.4.1. Classification of cases as fraudulent and non-fraudulent and related rates	21
2.4.2. Recovery rates	21
2.4.2.1. Cases reported as fraudulent.....	21
2.4.2.2. Cases not reported as fraudulent.....	21
2.4.2.3. Historical recovery rate.....	22
2.4.3. Commission’s monitoring	22
2.4.3.1. Examination of the write off reports.....	22
2.4.3.2. Commission’s inspections	22
2.4.3.3. Particular cases of Member State failure to recover TOR.....	23
Part II - EXPENDITURE.....	24
Section I - Shared Management.....	24
Natural Resources	24
3. Common Agricultural Policy (CAP)	24
3.1. Introduction.....	24
3.2. General analysis – Trend analysis	25
3.2.1. Irregularities reported as fraudulent.....	25
3.2.2. Irregularities not reported as fraudulent	27
3.3. Specific analysis	29
3.3.1. Irregularities reported as fraudulent.....	29
3.3.1.1. Modus operandi	29
3.3.1.2. Type of control / method of detection of irregularities reported as fraudulent	30
3.4. Anti-fraud activities of Member States.....	31
3.4.1. Duration of irregularities, Detection and Reporting Efficiency	32
3.4.2. Detection of irregularities reported as fraudulent in 2014 by Member State	33
3.4.3. Fraud detection rate	34
3.4.4. Ratio of established fraud / Dismissal ratio.....	35
3.5. Recovery cases.....	37

3.5.1.	Legal Framework.....	37
3.5.2.	Amounts recovered in 2014 for the EAGF	38
3.5.3.	Amounts recovered by the Member States in financial year 2014 for the EAFRD ...	39
3.5.4.	Application of the 50/50 Rule.....	40
3.5.5.	Commission's Audits.....	42
4.	Common Fisheries Policy (CFP).....	44
4.1.	General analysis.....	44
4.2.	Specific analysis	45
4.2.1.	Types of irregularity detected.....	45
4.2.2.	Method of detection.....	45
4.3.	Control activity by Member States	45
	Cohesion for growth and employment.....	48
5.	Cohesion Policy	48
5.1.	Trend analysis.....	49
5.1.1.	Irregularities reported as fraudulent.....	49
5.1.1.1.	Trend by programming period.....	49
5.1.1.2.	Trend by Fund.....	51
5.1.1.3.	Trend by objective	53
5.1.2.	Irregularities not reported as fraudulent	55
5.2.	Specific Analysis – Irregularities reported in relation to the Programming Period 2007-13	57
5.2.1.	Priorities concerned by the irregularities reported as fraudulent.....	57
5.2.2.	Priorities concerned by the irregularities not reported as fraudulent.....	59
5.2.3.	Types of irregularities / modus operandi detected - Irregularities reported as fraudulent.....	61
5.2.4.	Type of control / method of detection – Irregularities reported as fraudulent.....	63
5.2.5.	Type of irregularities not reported as fraudulent	64
5.3.	Anti-fraud activities by Member States	64
5.3.1.	Duration of irregularities, Detection and Reporting Efficiency	65
5.3.2.	Detection of irregularities reported as fraudulent in 2014 by Member State	66
5.3.3.	Fraud detection rate	67

5.3.4.	Fraud Prevention Rate	68
5.3.5.	Ratio of established fraud 2008-2014.....	69
	Section II - Decentralised Management.....	72
	The EU as a global player / Pre-Accession Policy	72
6.	Pre-Accession Policy (Pre-Accession Assistance and Instrument for Pre-Accession)	72
6.1.	The Pre-accession Assistance (PAA), 2000-06 and Instrument for Pre-Accession (IPA), 2007-13	72
6.2.	General analysis – Trend analysis	74
6.2.1.	Trend analysis	74
6.2.2.	Trend analysis IPA	75
6.2.3.	Reporting efforts	75
6.3.	Specific analysis – Financial year 2014.....	76
6.3.1.	Pre-Accession Assistance (PAA)	76
6.3.2.	Instrument for Pre-Accession (IPA)	77
6.3.3.	Method of detection.....	77
	Section III – Direct Management.....	78
7.	Direct Management	78
7.1.	Introduction.....	78
7.2.	General analysis.....	78
7.2.1.	Five year analysis 2010-2014	79
7.3.	Specific analysis	80
7.3.1.	Recoveries according policy areas.....	80
7.3.2.	Recoveries according to legal entity residence.....	81
7.3.3.	Method of detection.....	82
7.3.4.	Types of error	83
7.3.5.	Time delay	83
7.3.6.	Recovery	83
	COUNTRY FACTSHEETS	85
	Belgium	85

Bulgaria	86
Czech Republic	87
Denmark.....	88
Germany.....	89
Estonia	90
Ireland	91
Greece	92
Spain	93
France	94
Croatia	95
Italy	96
Cyprus	97
Latvia	98
Lithuania	99
Luxembourg.....	100
Hungary	101
Slovenia	108
Slovakia	109
Finland	110
Sweden	111
United Kingdom.....	112
ANNEXES.....	113
ANNEX 1.....	114
ANNEX 2.....	115
ANNEX 3.....	116
ANNEX 4.....	117
ANNEX 5.....	118
ANNEX 6.....	119
ANNEX 7.....	120

ANNEX 8.....	122
ANNEX 9.....	123
ANNEX 10.....	124
ANNEXES 11-15.....	125
ANNEX 11.....	126
ANNEX 12.....	127
ANNEX 13.....	128
ANNEX 14.....	129

LIST OF ABBREVIATIONS

CAP	Common Agricultural Policy
CF	Cohesion Fund
CFP	Common Fishery Policy
CN	Combined Nomenclature (Customs)
CP	Cohesion Policy
DetE	Detection Efficiency
DG	Directorate General
EAFRD	European Agricultural Fund for Rural Development
EAGF	European Agricultural Guarantee Fund
EC	European Commission
EFF	European Fishery Fund
ER	Error Rate
ERDF	European Regional Development Fund
ESIF	European Structural and Investment Funds
ESF	European Social Fund
EU	European Union
EU-10	The ten Member States having acceded the EU in 2004
EU-12	The twelve Member States having acceded the EU between 2004 and 2007
EU-15	The fifteen Member States of the EU before the 2004 accession
EU-2	Bulgaria and Romania

EU-27	The 27 Member States before Croatian accession
EUR	Euro
FDR	Fraud Detection Rate
FFL	Fraud Frequency Level
IMS	Irregularity Management System
GNI	Gross National Income
HRR	Historical Recovery Rate
NR	Natural Resources
OLAF	European Anti-Fraud Office (<i>Office pour la Lutte Anti-Fraude</i>)
OWNRES	Web application for communication of irregularities in the field of Traditional Own Resources
RepE	Reporting Efficiency
RR	Recovery Rate
SME	Small and Medium Sized Enterprise
TFEU	Treaty on the Functioning of the European Union
TOR	Traditional Own Resources

Statistical evaluation of irregularities reported for 2014
Own Resources, Natural Resources, Cohesion Policy, Pre-accession and Direct
expenditure

1. INTRODUCTION

1.1. Scope of the document

The present document¹ is based on the analysis of the notifications provided by national authorities of cases of irregularities and suspected or established fraud. The reporting is performed in fulfilment of a legal obligation enshrined in sectoral European legislation.

The document accompanies the Annual Report adopted on the basis of article 325 of the Treaty on the Functioning of the European Union (TFEU), according to which “The Commission, in cooperation with Member States, shall each year submit to the European Parliament and to the Council a report on the measures taken for the implementation of this article”.

For this reason, this document should be regarded as an analysis of the achievements of Member States.

The methodology (including the definition of terms and indicators), the data sources and the data capture systems are explained in detail in the Commission Staff Working Document – Methodology for the Statistical Evaluation of Irregularities.

1.2. Structure of the document

The present document is divided in two parts.

The first part is dedicated to the analysis of irregularities reported in the area of the Traditional Own Resources (Revenues).

The second part, concerning the expenditure part of the budget, is composed of three sections, dedicated, respectively, to shared, decentralised and centralised management modes.

The section dedicated to shared management, covers the natural resources (agriculture, rural development and fisheries) and the cohesion policy. Decentralised management refers to the pre-accession policy, while the centralised management section mainly deals with internal and external policies for which the Commission directly manages the implementation.

The document is completed by 28 country factsheets, which summarise, for each Member State, the main indicators and information that have been recorded through the analyses.

¹ This document does not represent an official position of the Commission.

15 Annexes complement the information and data of this document, providing a global overview of the irregularities reported according to the relevant sector regulations. Annexes from 1 to 10 concern Traditional Own Resources, Annexes 11 and 12 Natural Resources and Annexes from 13 to 15 the Cohesion Policy.

Part I - REVENUES

2. TRADITIONAL OWN RESOURCES

2.1. Introduction

See part B ‘Methodology’.

Charts TOR1 –TOR4 provide an overview of the number of cases of fraud and irregularities per reporting year, established amounts and recovery rates as published in the previous years’ reports and to compare them with the reporting trends observed for the 2010-2014 period.

The following analysis is based on the data available on the cut-off date (8 April 2015) and aims to provide an overview of the reported cases of fraud and irregularities reported for 2014 together with their financial impact.

2.2. General analysis – Trend analysis

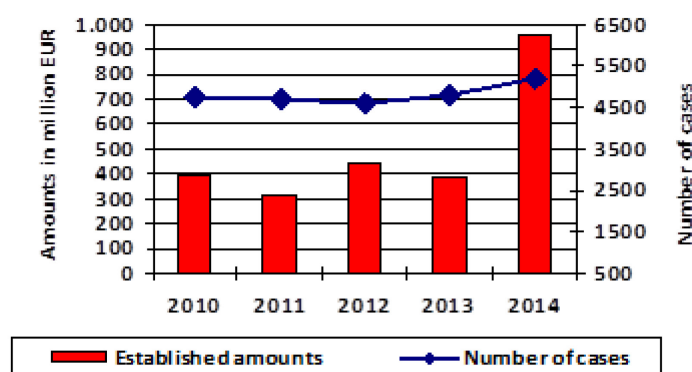
2.2.1. Reporting Years 2010-2014: Cases of fraud and irregularities

The number of cases reported via OWNRES for 2014 (5 185) is about 8 % higher than the average number of cases of irregular cases reported for the 2010-2014 period (4 799).

The total established amount of TOR involved (EUR 957 million) is about 92 % higher than the average established amount for years 2010-2014 (EUR 499 million)².

In 2014, 14 big cases³ totalling to the amount exceeding EUR 516⁴ million were reported comparing to 2013, when two big cases with a total established amount of about EUR 29 million affected the total established amount.

CHART TOR1: Total number of OWNRES cases and the related established amount (2010-2014)



² For comparability reasons, the figures for the 2010-2013 period are based on the data used for the reports of those years.

³ Cases with an established amount of TOR exceeding EUR 10 million.

⁴ IT (1 case - EUR 43.8 million), FR (1 case - EUR 13.6 million), UK (12 cases - EUR 458.8 million).

When the number of cases reported as fraudulent and as non-fraudulent are compared with those published in the previous report, it appears that there is a time gap between the detection of the cases and their reporting via the OWNRES application. Only 9 Member States did not report any change in the number of cases reported for 2013. The quality of the data and the timely reporting remains therefore to be further tackled. The higher number of cases reported for 2014 suggest that the Member States took the Commission's recommendation seriously and reviewed their procedures for reporting irregularity cases.

Annex 1 shows the situation on the cut-off date (8 April 2015) for years 2010-2014.

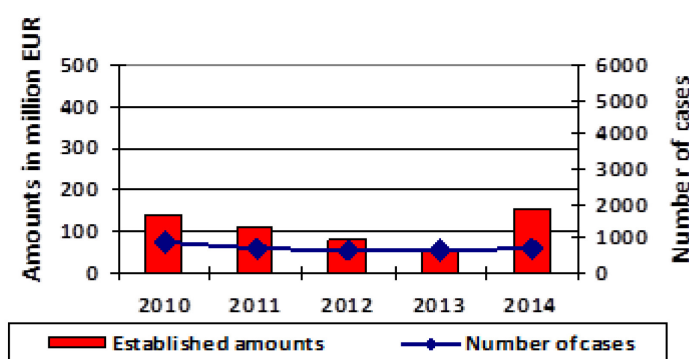
2.2.1.1. Irregularities reported as fraudulent

The number of cases reported as fraudulent registered in OWNRES for 2014 (710) is currently 2 % lower than the average number of cases reported for the 2010-2014 period (726).

The total established amount of TOR involved (EUR 157 million) represents an increase of 54 % of the average established amount for the years 2010-2014 (EUR 102 million).⁵

For 2014, the Czech Republic and Luxemburg did not communicate any fraudulent case exceeding an amount of EUR 10 000.

CHART TOR2: OWNRES cases reported as fraudulent and the related established amount (2010-2014)



On the cut-off date, 14 % of all cases detected in 2014 were classified as fraudulent. The percentage remained quite stable in comparison to 2013.

Annex 2 shows the situation on the cut-off date for years 2010-2014.

2.2.1.2. Irregularities not reported as fraudulent

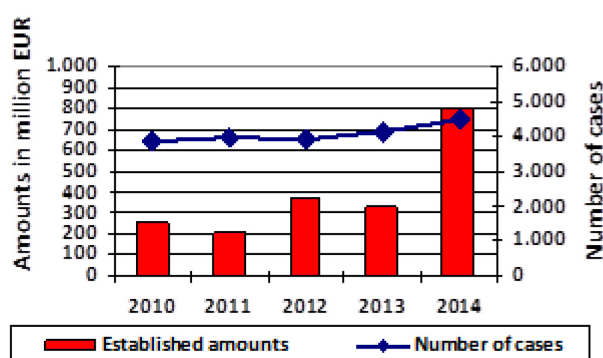
At the same time, the number of cases not reported as fraudulent communicated via OWNRES for 2014 (4475) was 10 % *higher* than the average number reported for 2010-2014 (4073).

The total established amount of TOR (EUR 800 million) was 101 % higher than the average established amounts for the years 2010-2014 (EUR 398 million).⁶

⁵ For comparability reasons, the figures for 2010-2013 are based on the data used for the reports of those years.

Luxembourg and Malta did not report any case of irregularity exceeding an amount of EUR 10 000 for 2014.

CHART TOR3: OWNRES cases not reported as fraudulent and the related established amount (2010-2014)



Annex 3 shows the situation on the cut-off date for years 2010-2014.

2.2.2. Established and estimated amounts

In 2014, the total established amount of TOR (gross) was EUR 22.9 billion and the greater part of it (about 96%) was recovered without any particular problem and made available to the Commission via the A-account. In comparison with the total amount established and collected, according to the OWNRES data, around EUR 979 million has been *established and estimated* by the Member States in connection with cases reported as fraudulent and not reported as fraudulent where the amount at stake exceeds EUR 10 000.

The total established and estimated amounts reported in OWNRES represent 4.47% of the total established amount of TOR (gross) for 2014.⁷ This proportion has increased compared with 2013 when it was 1.86%. A percentage of 4.47% indicates that of every EUR 100 of TOR (gross) established, an amount of EUR 4.47 is registered as irregular (fraudulent or non-fraudulent) in OWNRES. There are differences among the Member States. In 5 Member States⁸, the percentage is above the average of 4.47%. The highest percentage for 2014 can be seen in the United Kingdom and Bulgaria with 15.81% and 14.20% respectively. For the Netherlands, the proportion of established and estimated OWNRES amounts to established TOR remained almost stable in 2014 compared to the previous year. For Belgium, Germany, Estonia, Lithuania, Cyprus, Malta, Finland, Slovakia and Sweden the proportion of established and estimated OWNRES amounts to established TOR decreased in 2014 compared to the previous year.

For the six⁹ Member States which established and made available most of the TOR amounts, the percentage of the established and estimated OWNRES amounts to established TOR for 2014 was equal to 2.16%. In comparison with the previous year, this represents an increase of 0.25 percentage points.

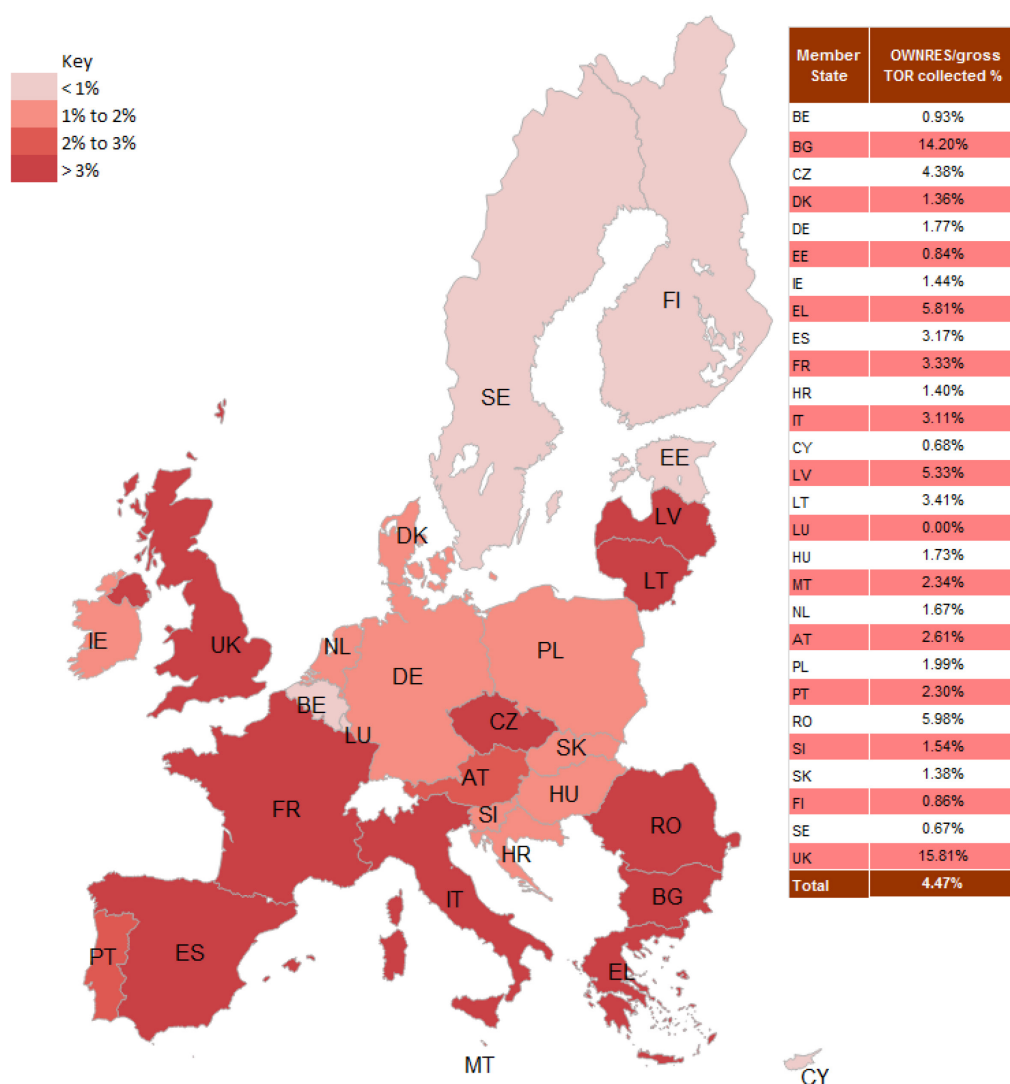
⁶ For comparability reasons, the figures for 2010-2013 are based on the data used for the reports of those years.

⁷ See Annex 4.

⁸ Bulgaria, Greece, Latvia, Romania and the United Kingdom.

⁹ Germany, the Netherlands, Belgium, Italy, France and Spain. The United Kingdom was excluded from consideration as the figures are extraordinary and would distort the results.

TOR MAP1: Showing the percentage of established and estimated amounts in OWNRES of established TOR for 2014 (to be prepared by OLAF and updated)



2.2.3. Recovery

The fraud and irregularity cases detected in 2014 show an established amount of EUR 957 million. EUR 191 million of this was recovered in cases where an irregularity was at stake and EUR 38 million in fraudulent cases. In total EUR 229 million was recovered by all Member States for all cases which were detected in 2014. In absolute numbers, Germany recovered the highest amount in 2014 (EUR 62 million) followed by the United Kingdom (EUR 53 million). This is a starting point for the recovery. Analysis shows that lengthy recovery procedures spread over several years are usually required due to administrative and judicial procedures in complex cases or cases with huge financial impact.

In addition, Member States continued their recovery actions related to the detected cases of previous years. The EU-28 recovered EUR 203 million in 2014 which related to cases detected between 1990 and 2013.

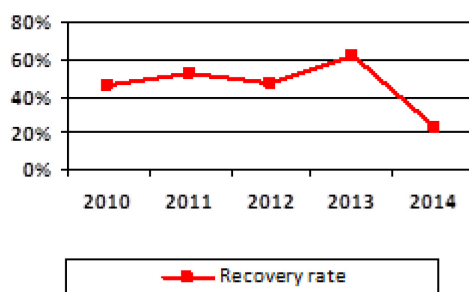
2.2.3.1. Recovery rates

Over the past, five years the annual RR has varied between 24 % and 62 % (see Chart TOR4)¹⁰. The recovery rate for 2014 is currently 24 %¹¹. The overall recovery rate is at present low due to correlation between the high detection rate, the high established amount and the current recovery stage of individual cases (high additional duty claims undergo more frequently long lasting administrative and criminal procedures).

In other words, of every amount over EUR 10 000 of duties established and reported for 2014 in OWNRES, approximately EUR 2 400 has already been paid.

On the cut-off date, the overall RR for all years 1989-2014 was 53 %.¹²

CHART TOR4: Annual recovery rates (2010-2014)¹³



Recovery rates vary among the Member States. The highest recovery rates for 2014 are in Slovakia (98 %), Sweden (97 %), Portugal (96 %), Bulgaria (94 %), Finland (91 %) and Estonia (89 %). Differences in recovery results may arise from factors such as the type of fraud or irregularity, or the type of debtor involved. Because recovery is ongoing, it can be expected that the recovery rate for 2014 will also go up in the future.

2.3. Specific analysis

2.3.1. Irregularities reported as fraudulent

2.3.1.1. Modus operandi

A breakdown of fraud by mechanism type reveals that most fraudulent cases relate to smuggling of goods. Incorrect origin or country of dispatch, incorrect value or classification are frequently mentioned in 2014.

In 2014, the customs procedure ‘release for free circulation remained the procedure most vulnerable to fraud. A total of 9 % of all cases reported as fraudulent and 6 % of

¹⁰ For comparability reasons the figures of 2010-2013 are based on the data used for the reports of those years.

¹¹ See Annex 5.

¹² This calculation is based on 85 481 cases, an established amount of EUR 6.7 billion and a recovered amount of EUR 3.6 billion.

¹³ Based on recovery rates used for the reports 2010-2013.

all established amounts in OWNRES cases registered as fraudulent for 2014 involve the transit procedure.

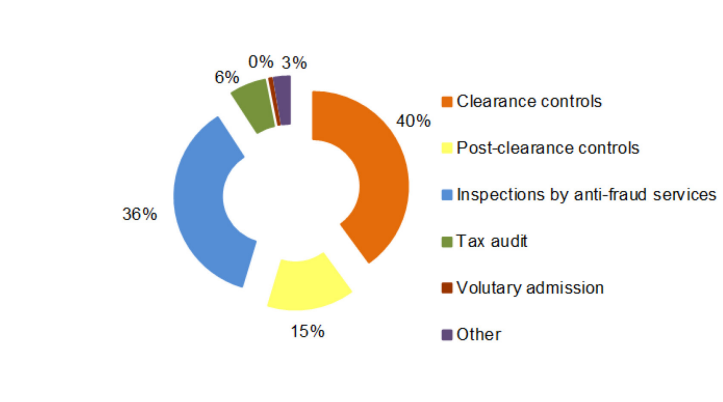
Member States reported a number of temporary increases in fraudulent operations and the discovery of isolated cases of fraud involving particularly high amounts. Inward processing and processing under customs control represent 1 % and 10 % of all cases reported as fraudulent and 30 %¹⁴ and 1 % of the related established amounts respectively. Other procedures¹⁵ account for 11 % of all fraudulent cases and for 2 % of the related established amounts.

Of all cases reported as fraudulent about 62 % concern such goods as tobacco, articles of iron and steel, footwear and textiles, electrical machinery and equipment, vegetable and mineral oils. In monetary terms those groups of goods represent about 82 % of all amounts established for cases reported as fraudulent. Evaluation of the origin of goods subject to fraud and irregularity reveals that goods originating from China, Tunisia, USA and Russia were very much affected in monetary terms.

2.3.1.2. Method of detection of fraud cases

In 2014¹⁶, most fraudulent cases were revealed during a customs control at the time of clearance of goods (40 %) and during an inspection by anti-fraud services (36 %). Other methods that featured frequently were post-clearance controls (15 %) and tax audits (6 %).

CHART TOR5: Method of detection 2014 – Cases reported as fraudulent – by number of cases



In monetary terms, of the EUR 157 million established in fraudulent cases registered for 2014, around 43 % were discovered during a post-clearance control, 27 % during an inspection by anti-fraud services, 15 % by a tax audit and 13 % during a clearance control. Only in Spain, were tax audits the most important detection method for fraudulent cases in monetary terms. In Belgium, Greece, Estonia, France, Lithuania and Slovakia more than 50 % of all established amounts in fraudulent cases were detected by anti-fraud services. As regards amounts, controls at the time of clearance of goods were the most important method for detecting fraudulent instances in Bulgaria, Denmark, Latvia, Slovenia and Finland. In Poland 49 % of all established

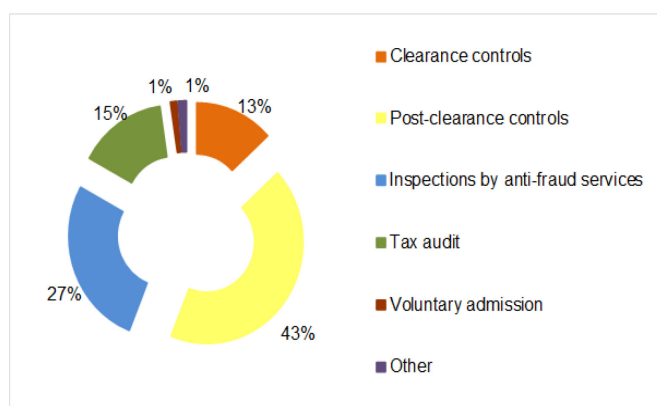
¹⁴ An amount totalling to EUR 46 million was reported in connection with inward processing by Italy.

¹⁵ Customs warehousing, outward processing, temporary admission, free zone or free warehousing, exportation, re-exportation, destruction and abandonment to the Exchequer.

¹⁶ See Annexes 7 and 8.

amounts in fraudulent cases were detected by an inspection by services or bodies other than customs.

CHART TOR6: Method of detection 2014 – Cases reported as fraudulent – by established amounts



2.3.1.3. Smuggled cigarettes

In 2014, there were 201 cases of smuggled cigarettes registered (CN code¹⁷ 24 02 20 90) involving estimated TOR of around EUR 22 million. In 2013 the number of cases of smuggled cigarettes was 133, totalling around EUR 7 million.

The highest number of cases was reported by the UK (42). The highest amount was reported by Greece (EUR 7.9 million).

No cases were reported by Belgium, the Czech Republic, Denmark, Estonia, Cyprus, Luxembourg, Portugal, Slovakia and Sweden.

Table TOR1: Cases of smuggled cigarettes in 2014

¹⁷ Combined nomenclature or CN –nomenclature of the Common Customs Tariff.

TOR: Cases of smuggled cigarettes in 2014		
MS	Cases	Estimated or established amount
	N	EUR
BG	3	94.956
DE	10	341.080
IE	2	2.061.012
EL	25	7.869.651
ES	18	1.449.569
FR	15*	732.905*
HR	2	371.977
IT	4	342.561
LV	19	866.731
LT	9	276.890
HU	4	52.967
MT	1	154.345
NL	7	414.169
AT	8	1.016.006
PL	18	2.478.364
RO	8	316.809
SI	2	186.048
FI	4	88.113
UK	42	2.676.250
Total	201	21.790.401

* Including the discrepancies discovered after the cut-off date by France for three cases.

In the past, Member States were alerted by the fact of decreasing number of cases of cigarette smuggling. Review of the cases of smuggled cigarettes reported in the previous years led to update of the data in OWNRES for some Member States¹⁸. This has also had a positive effect on data for 2014.

2.3.1.4. Articles of iron and steel – mutual assistance

In 2014, 100 cases reported as fraudulent concerned articles of iron and steel amounting to EUR 27 million. In all, 78 cases totalling to 25 million were detected following a Mutual Assistance notices issued by OLAF. This underlines the importance of investigations conducted by OLAF in this particular field.

2.3.1.5. Cases reported as fraudulent by amount

In 2014, the established amount was below EUR 50 000 in 502 cases reported as fraudulent (71 % of all fraud cases), whereas it was above EUR 50 000 in 208 cases (29 %).

The total established amount in cases reported as fraudulent where the amount at stake was above EUR 50 000 amounted to EUR 149 million (95 % of the total established amount for cases reported as fraudulent).

Table TOR2: Cases reported as fraudulent by amount category in 2014

¹⁸ E.g. Following France's review of the cases reported for the years 2010-2013, an additional 31 cases of cigarette smuggling (EUR 3.5 million) were entered into the OWNRES system.

Category	Cases	Established amount
	N	EUR
< 50 000 EUR	502	7.983.113
>= 50 000 EUR	208	148.612.650
Total	710	156.595.763

2.3.2. *Irregularities not reported as fraudulent*

2.3.2.1. Modus operandi

A breakdown of irregularities by mechanism type shows that most cases of irregularity relate to incorrect declarations (incorrect value, classification, country of origin or use of preferential arrangements) and formal shortcomings (failure to fulfil obligations or commitments).

Not all customs procedures are equally susceptible to irregularities. The vulnerability of particular procedures may change over time as certain economic sectors become, temporarily, affected. In 2014 most of the established amounts in OWNRES in the EU-28 (93 %) for cases reported as non-fraudulent related to the customs procedure ‘release for free circulation’¹⁹. In all, 3 % of all amounts established in cases not reported as fraudulent in 2014 involved inward processing²⁰, 1 % related to customs warehousing and to transit procedures, respectively. Other customs procedures were only marginally affected in 2014.

The customs procedure ‘release for free circulation’ is the procedure most affected by irregularities, as, at the time of release for free circulation, there are a range of different irregularities which may constitute non-compliance, e.g. the tariff, CN code, origin or preferential origin and incorrect value. In customs suspension regimes (e.g. warehousing or transit, where the payment of duties is suspended), however, the only irregularity that can occur is the subtraction of the goods from customs supervision. It is therefore to be expected that the majority of cases involving frauds and irregularities are reported in connection with the procedure ‘release for free circulation’.

Of all cases reported as non-fraudulent about 60 % concern such goods as textiles and footwear, electrical and mechanical machinery, articles of iron and steel, vehicles, plastics, glassware and prepared foodstuffs. In monetary terms those groups of goods represent about 87 % of all amounts established for cases reported as non-fraudulent. Evaluation of the origin of goods subject to fraud and irregularity reveals that goods originating from China, USA, Japan and Malaysia were very much affected in monetary terms.

2.3.2.2. Method of detection of non-fraudulent cases

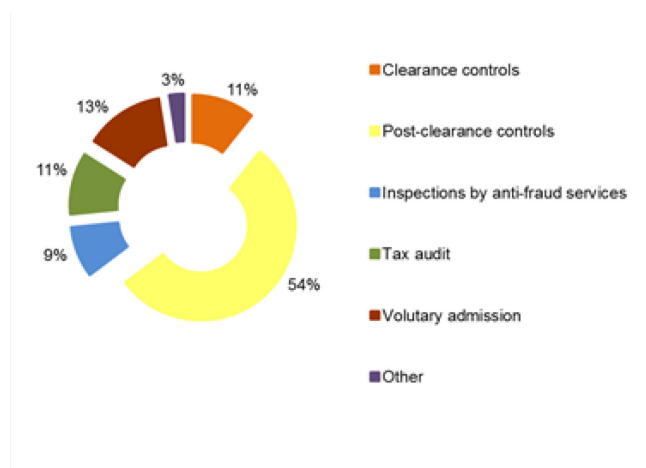
In 2014, most non-fraudulent cases (54 %) were revealed during post-clearance customs controls. Other methods of detection for non-fraudulent cases that featured

¹⁹ See Annex 6.

²⁰ An amount totalling to EUR 20 million was reported by the United Kingdom in relation to inward processing.

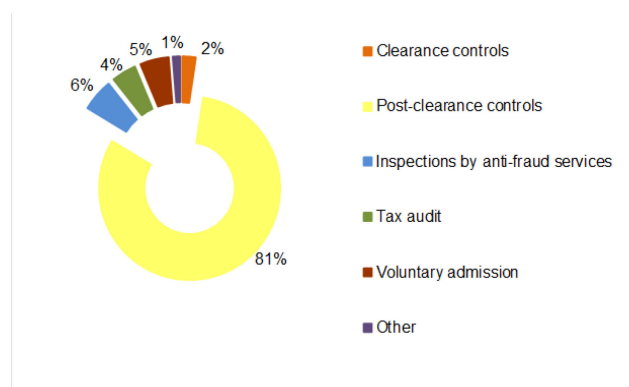
frequently were voluntary admission (13%), clearance controls (11%), tax audits (11%) followed by anti-fraud services (9%).²¹

CHART TOR7: Method of detection 2014 – Cases not reported as fraudulent – by number of cases



Considering the *established amounts*, around 81% of all irregularity cases registered for 2014 were discovered during a post-clearance control, 6% during an inspection by anti-fraud services, whereas 5% were related to voluntary admission, 4% to a tax audit, and 2% to a control at the time of clearance of goods. In 11 Member States, more than 50% of all non-fraudulent cases — in amounts — were detected by post-clearance controls.²² In Bulgaria, France, Lithuania, Poland, Portugal and Romania more than 50% of the amounts relating to non-fraudulent cases were detected by anti-fraud services. Significant amounts were reported as non-fraudulent following voluntary admission by Germany (EUR 17 million) and the UK (EUR 16 million). In 14 Member States voluntary admission was stated as a method of detection of cases reported as non-fraudulent.

CHART TOR8: Method of detection 2014 – Cases not reported as fraudulent – by established amounts



2.3.2.3. Footwear and textiles vulnerable to irregularities

Footwear and textiles originating in China were especially vulnerable to non-fraudulent irregularities in 2014. Over half of the total amount of TOR established as

²¹ See Annex 7 and 8.

²² The Czech Republic, Denmark, Greece, Croatia, Italy, Cyprus, Latvia, Hungary, the Netherlands, Austria, Slovakia, Sweden and the United Kingdom.

due in relation to non-fraudulent irregularities was from cases involving these goods. The most commonly reported type of infringement was undervaluation. The United Kingdom was particularly affected by irregularities involving these goods and this type of infringement – of every EUR 10 000 reported as due in cases of non-fraudulent irregularities, around EUR 8 567 involved undervalued footwear and textiles. Thirteen other Member States also reported cases of undervaluation of footwear and textiles of lower financial value²³. These detections can be considered as a result of the Commission's work in the field of customs valuation.

2.3.2.4. Articles of iron and steel – mutual assistance

In 2014, 418 cases reported as non-fraudulent concerned articles of iron and steel amounting to EUR 36 million. In all, 175 cases totalling to 22 million were detected following a Mutual Assistance notices issued by OLAF. This underlines the importance of investigations conducted by OLAF in this particular field.

2.3.2.5. Cases not reported as fraudulent by amount

In 2014, the established amount was below EUR 50 000 in 3 386 non-fraudulent cases (76% of all irregularity cases), whereas it was above EUR 50 000 in 1 089 cases (24%).

The total established amount in non-fraudulent cases where the amount at stake was above EUR 50 000 amounted to EUR 735 million (92% of the total established amount for non-fraudulent cases).

Table TOR3: Cases not reported as fraudulent by amount category in 2014

Category	Cases	Established amount
	N	EUR
< 50 000 EUR	3386	65.377.043
>= 50 000 EUR	1089	735.096.017
Total	4475	800.473.060

2.4. Member States' activities

2.4.1. Classification of cases as fraudulent and non-fraudulent and related rates

For 2014, Member States classified 710 cases as fraudulent out a total of 5 185 cases reported via OWNRES, which indicates a Fraud Frequency Level (FFL) of 14%. The differences between Member States are relatively large. In 2014 most Member States categorised between 10-50% of all cases reported as fraudulent. However, the Czech Republic did not categorise any cases reported as fraudulent.²⁴ Ten Member States

²³ Belgium, the Czech Republic, Germany, Spain, France, Italy, Hungary, the Netherlands, Portugal, Slovakia and Sweden.

²⁴ Luxembourg did not report any irregular case in 2014.

categorised less than 10% of cases as fraudulent.²⁵ Six Member States registered more than 50%²⁶ of cases as fraudulent.

In 2014, the total established and estimated amount affected by fraud in the EU was EUR 176 million and the overall fraud detection rate was 0.8%. For 2014, the highest percentages can be seen in Bulgaria with 13.96% and Greece 5.02%.²⁷

The total established and estimated amount affected by irregularities was more than EUR 802 million which indicates an irregularity detection rate of 3.66%. The highest percentages can be seen in the United Kingdom (15.73%), Romania (5.71%) and the Czech Republic (4.38%).²⁸

There are large differences between Member States' classifications, which may partly depend on their classification practices. This can influence the comparison of the amounts involved in cases reported as fraudulent and as non-fraudulent by Member States. Moreover, individual bigger cases detected in a specific year may affect annual rates significantly. Factors such as the type of traffic, type of trade, the level of compliance of the economic operators, the location of a Member State can influence the rates significantly. Bearing in mind these variable factors, the detection rates can also be affected by the way a Member State's customs control strategy is set up to target risky imports and to detect TOR-related fraud and irregularities.

2.4.2. *Recovery rates*

2.4.2.1. Cases reported as fraudulent

Over the 1989-2014 period, OWNRES shows that, on average, 18% of the initially established amount was corrected (cancelled). The recovery rate (RR) for all years (1989-2014) is 30%.²⁹ The RR for cases reported as fraudulent and detected in 2014 was 24%³⁰ which is below the average rate of 35% for fraudulent cases for the 2010-2014 period.³¹ In general, the RR in cases reported as fraudulent is clearly much lower than that for cases not reported as fraudulent.

2.4.2.2. Cases not reported as fraudulent

OWNRES shows that on the cut-off date, on average 34% (1989-2014) of the initially established amount in relation to cases not reported as fraudulent has been corrected (cancelled) since 1989. The RR for non-fraudulent cases reported for 2014 is 24%.³² On the cut-off date, the annual RR for the last five years has varied

²⁵ Denmark (3%), Germany (9%), Hungary (8%), the Netherlands (2%), Portugal (2%), Slovakia (9%), Finland (9%), Sweden (1%), and the UK (4%).

²⁶ Bulgaria(86%), Greece (71%), Croatia (80%), Latvia (74%), Malta (100%) and Slovenia (58%).

²⁷ See Annex 4.

²⁸ See Annex 4.

²⁹ This calculation is based on 16 504 cases, an established amount of EUR 1.92 billion (after already processed corrections) and a recovered amount of EUR 0.57 billion.

³⁰ See Annex 9.

³¹ On the cut-off date, for years 2010-2014, the annual RR for fraud cases varied between 24% and 61%.

³² See Annex 9.

between 24 % and 79 %. The overall RR for all years (1989-2014) for all cases not reported as fraudulent is 63 %.³³

2.4.2.3. Historical recovery rate

Also in the long term, the HRR reveals an equally strong relation as annual recovery rates, showing that recovery in cases reported as fraudulent is generally much less successful than in cases not reported as fraudulent (see table TOR4). Classification of a case as fraudulent is thus a strong indicator for forecasting short- and long-term recovery results.

Table TOR4: Historical recovery rate (HRR)

Irregularities	HRR 1989 – 2011
Reported as fraudulent	51.08%
Not reported as fraudulent	88.97%
Total	79.71%

2.4.3. Commission's monitoring

2.4.3.1. Examination of the write off reports

In 2014, 19 Member States submitted 145 new write-off reports to the Commission. In 2014, the Commission processed 279 cases in all totalling EUR 104 million, including cases that had been reported previously for which Member States had sent additional information. In 110 of these cases amounting to EUR 37 million,³⁴ Member States were asked to pay the outstanding amounts as they were not considered diligent in recovering the debts.

Examination of Member States' diligence in write-off cases constitutes a very effective mechanism for gauging their activity in the field of recovery. It encourages national administrations to step up the regularity, efficiency and effectiveness of their recovery activity, since any lack of diligence leading to failure to recover results in individual Member States having to foot the bill.

2.4.3.2. Commission's inspections

In its TOR inspections, the Commission has put a special emphasis on Member States' customs control strategies and closely monitors their actions in relation to the observations made during the inspections. Member States show their willingness to adapt their control strategies and to progressively implement systems that provide for efficient and effective risk analysis to protect the EU's financial interests. Also adjustments of the procedures for detection and reporting of irregular cases are applied by Member States with the aim to improve the quality of the information on irregular cases. In 2014, 'Fraud and irregularities' was the general inspection themes of the on-the-spot customs inspections by the Commission services in Member States.

³³ This calculation is based on 68 977 cases, an established amount of EUR 4.8 billion (after already processed corrections) and a recovered amount of EUR 3 billion.

³⁴ See Annex 10.

Thematic reports consolidating the results of the inspections and evaluating and comparing Member States' performance are frequently prepared and discussed with the Member States with a view to remedying the individual shortcomings found. One general conclusion drawn by the Commission from its inspections in Member States in recent years is that their control strategies are increasingly shifting from customs controls at the time of clearance of goods to post-clearance customs controls. The customs controls at the time of clearance of goods are indispensable for detecting new types of fraud or irregularities and new patterns in the use of certain types of fraud. Member States' customs control strategies should, therefore, be frequently reviewed, taking into account recent cases detected or new risks identified.

In view of the risk of fraud being diverted from one Member State to another, and of the spread of specific types of fraud, cooperation at EU and international level is becoming increasingly essential for the detection of irregularities.

2.4.3.3. Particular cases of Member State failure to recover TOR

If TOR are not established because of an administrative error by a Member State, the Commission applies the principle of financial liability. Member States have been held financially liable in 2014 for over EUR 10 million, and new cases are being given appropriate follow-up.

Part II - EXPENDITURE

SECTION I - SHARED MANAGEMENT

Natural Resources

Success in previous decades in guaranteeing sufficient food production, has led to a shift in emphasis to, producing higher quality food for consumers, increasing farms' profitability, diversifying the rural economy and protecting the natural environment. There is a direct management component but the majority of expenditure is disbursed by Member States under the following shared management funds.

- The European Agricultural Guarantee Fund (EAGF) which finances direct payments to farmers and measures to respond to market disturbances, such as private or public storage and export refunds.
- The European Agricultural Fund for Rural Development (EAFRD) which finances the rural development programmes of the Member States.
- The European Fishery Fund (EFF) which provides funding and technical support for initiatives that can make the fishery industry more sustainable.

Table NR1 shows the financial resources available for this policy area.

Table NR1: Financial instruments and 2014 appropriations for the Natural Resources Policies

Financial instrument	Management mode	Appropriations 2014		As % of total budget	
		Commitments	Payments	Commitments	Payments
		EUR million	EUR million	%	%
EAGF	Shared	43 778	43 777	30.7%	31.5%
EAFRD	Shared	13 991	11 615	9.8%	8.4%
EFF	Shared	941	730	0.7%	0.5%
TOTAL		58 710	56 122	41.1%	40.4%

3. COMMON AGRICULTURAL POLICY (CAP)

3.1. Introduction

For the last 50 years the Common Agricultural Policy (CAP) has been the European Union's (EU) most important common policy. This explains why traditionally it has taken a large part of the EU's budget, although the percentage has steadily declined over recent years.

The CAP is financed by two funds, EAGF and EAFRD, which form part of the EU's general budget.

Under the basic rules for the financial management of the CAP, the Commission is responsible for the management of the EAGF and the EAFRD. However, the Commission itself does not make payments to beneficiaries. According to the principle of shared management, this task is delegated to the Member States, who themselves work through national or regional paying agencies. Before these paying agencies can claim any expenditure from the EU-budget, they must be accredited on the basis of a set of criteria laid down by the Commission.

The paying agencies are, however, not only responsible for making payments to the beneficiaries. Prior to doing so, they must, either themselves or through delegated bodies, satisfy themselves of the eligibility of the aid applications. The exact checks to be carried out are laid down in the different sectorial regulations of the CAP and vary from one sector to another.

The expenditure made by the paying agencies is then reimbursed by the Commission to the Member States, in the case of the EAGF on a monthly basis and in the case of EAFRD on a quarterly basis. Those reimbursements are, however, subject to possible financial corrections which the Commission may make under the clearance of accounts procedures.

Table NR2 shows the financial resources available for the CAP.

Table NR2: Financial instruments and 2013 appropriations for the CAP

Financial instrument	Management mode	Appropriations 2014		As % of total budget	
		Commitments	Payments	Commitments	Payments
		EUR billion	EUR billion	%	%
EAGF	Shared	43 778	43 777	30.7%	31.5%
EARDF	Shared	13 991	11 615	9.8%	8.4%
TOTAL		57 769	55 392	40.5%	39.8%

3.2. General analysis – Trend analysis

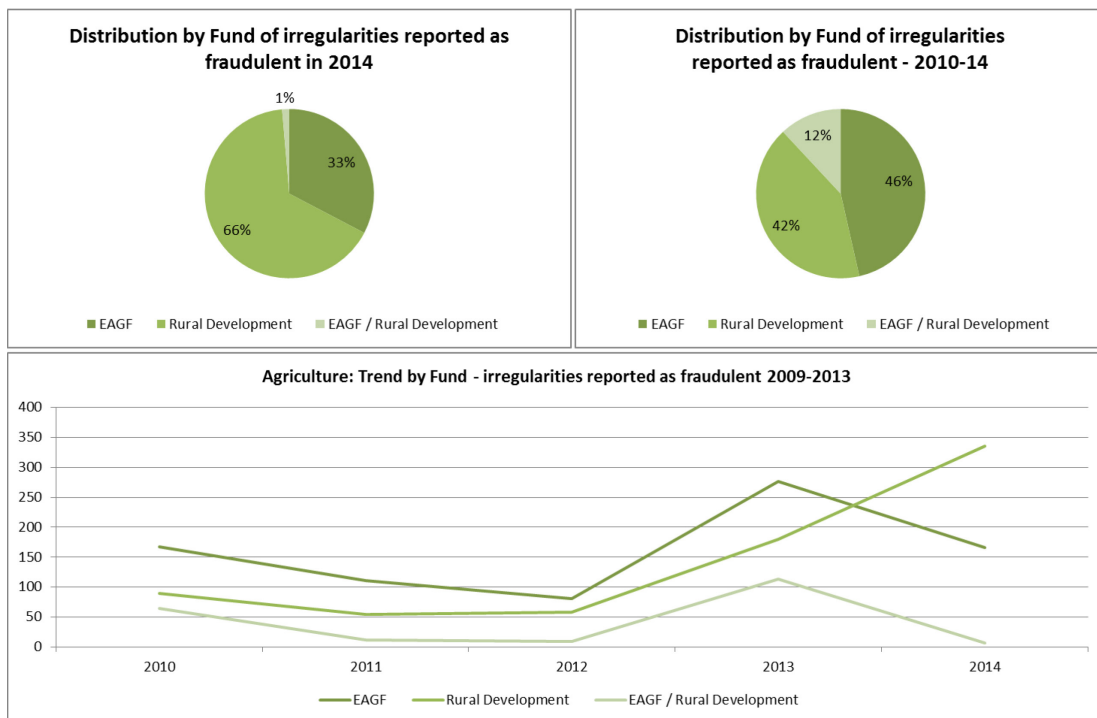
3.2.1. Irregularities reported as fraudulent

Table NR3 presents the trend of the irregularities reported as fraudulent by Member States for the period 2010-14 in relation to the fund concerned. This shows an overall decrease in comparison to 2013 by almost 11%. However, while the fraudulent irregularities related to the EAGF have decreased by almost 40%, those linked to the EARDF have kept on increasing by 86% and for the third consecutive year. Those irregularities related to beneficiaries of both funds, which have committed violations in relations to both schemes have returned to the levels of 2011 and 2012.

As a result, for the first time in the last five years, the irregularities reported as fraudulent related to the EAFRD have the highest share on the total, representing two thirds and reaching 42% on the whole reference period 2010-14 (up from 36% in the previous analysis for 2009-13). The share of irregularities committed by beneficiaries of both funds remains stable at 12% on the five years analysis.

Table NR3: Irregularities reported as fraudulent by Fund –2010-14 for the CAP

FUND	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
	N	N	N	N	N	N
EAGF	167	111	81	276	166	801
Rural Development	90	54	58	180	335	717
EAGF / Rural Development	65	12	9	113	7	206
TOTAL	322	177	148	569	508	1 724



Similar to 2013, the irregularities notified by four Member States (Hungary, Poland, Romania and Italy) represent about 71% of the total number of irregularities reported as fraudulent.

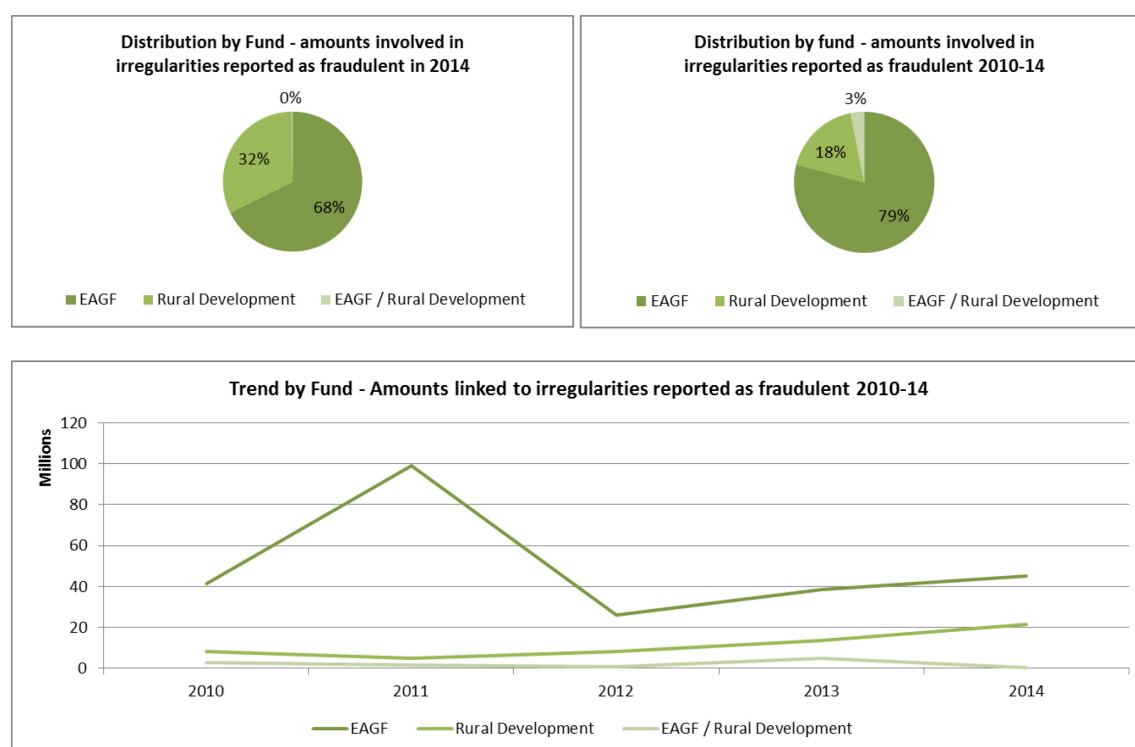
For Hungary, the reported cases originate from an investigation of the European Anti-Fraud Office (OLAF). Poland, Ireland, Latvia, Lithuania, Portugal, United Kingdom have reported an increasing number of fraudulent cases.

The first ten countries taken together have reported 466 of potential fraudulent cases, which represents almost 92% of the total (in 2013 the first nine together had reported about 94% of the total fraudulent irregularities).

Table NR4 provides in the same form of Table NR3 information about the trends linked to the financial amounts involved in cases reported as fraudulent, which have decrease by 17% in comparison with the previous year. For the monetary value, the largest share in 2014 is still represented by the EAGF component. The EAFRD becomes relatively predominant, if one bears in mind that it represents 20% of the total resources for the CAP and the financial value of the irregularities reported as fraudulent represent 32% of the total amount in 2014. For the period 2010-2014, however, the distribution remains roughly in line with the share of the resources between the funds.

Table NR4: Financial amounts involved in irregularities reported as fraudulent by Fund –2010-14 for the CAP

FUND	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
	EUR	EUR	EUR	EUR	EUR	EUR
EAGF	41 310 942	99 079 308	26 001 962	38 390 064	44 967 266	249 749 541
Rural Development	8 130 692	4 815 625	8 300 464	13 763 551	21 341 195	56 351 526
EAGF / Rural Development	2 708 274	1 388 094	662 244	4 851 893	156 670	9 767 176
TOTAL	52 149 908	105 283 027	34 964 670	57 005 508	66 465 130	315 868 243



The trend analysis about the financial amounts can be misleading as it can be greatly influenced by single observations of significant value. For instance, the 'distance' observed in 2011 between the two funds, finds entire explanation in very few cases involving high amounts linked to the EAGF, which determine the divergence from the trend highlighted in Table NR3. In the period 2011-14, the share of the EAFRD on the total is 27%.

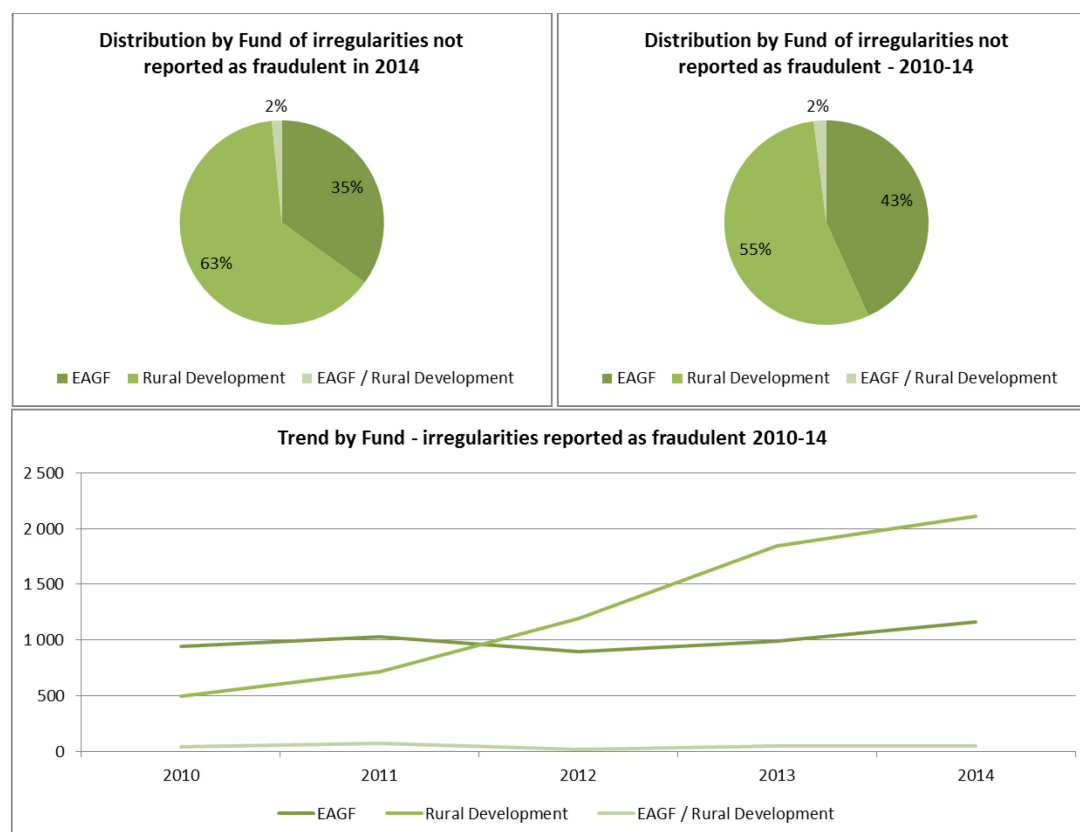
3.2.2. Irregularities not reported as fraudulent

Regarding irregularities not reported as fraudulent, the number of those reported relating to EAFRD has been constantly increasing (see Table NR5), while those related to EAGF has remained relatively stable. Consistently with this trend, also the irregular financial amounts linked to the rural development instrument have been increasing (as highlighted in Table NR6), but with a trend that is more evident in the last three years.

Contrary to the irregularities reported as fraudulent, only 2% of those not reported as fraudulent involves violations in both funds. This share shrinks to 1% in relation to the financial impact of these irregularities (see Table NR6).

Table NR5: Irregularities not reported as fraudulent by Fund – 2010-14 for the CAP

FUND	REPORTING YEAR					TOTAL
	2010	2011	2012	2013	2014	PERIOD
	N	N	N	N	N	N
EAGF	945	1 028	897	993	1 162	5 025
Rural Development	498	714	1 191	1 848	2 112	6 363
EAGF / Rural Development	40	71	22	48	53	234
TOTAL	1 483	1 813	2 110	2 889	3 327	11 622



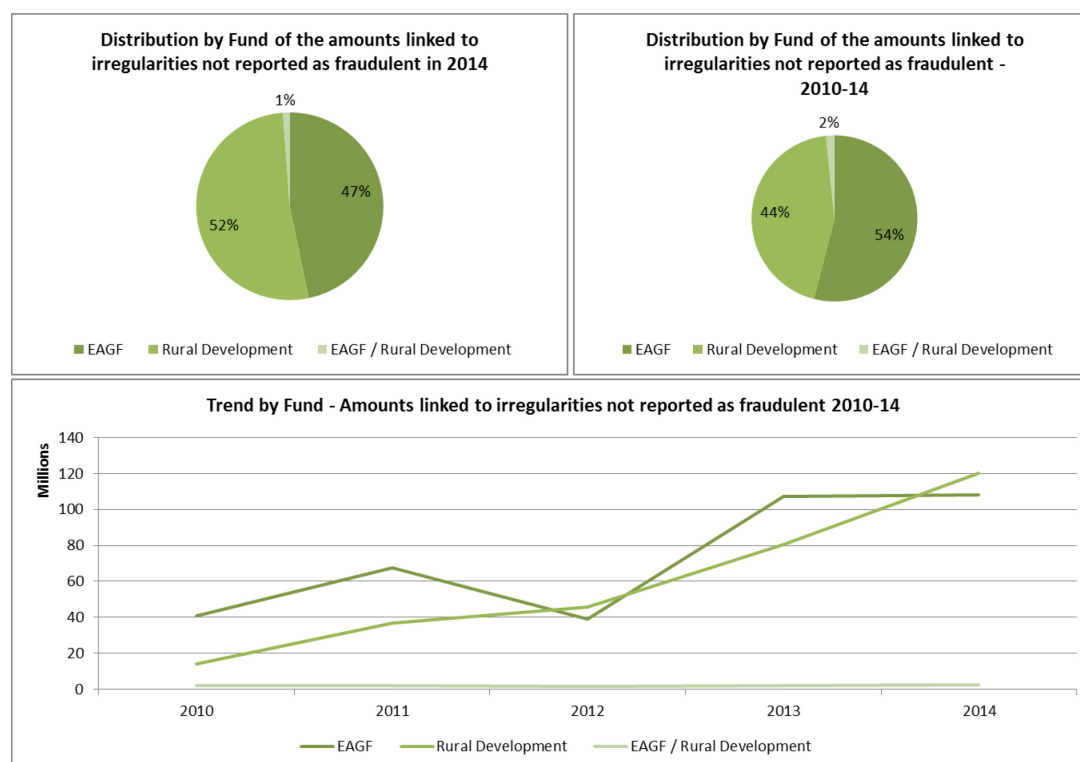
Unlike fraudulent irregularities the largest share, in terms of numbers, is for the EAFRD since 2012, and in the two last years of the period 2010-14 the irregularities linked to this fund have almost doubled those related to the EAGF.

The irregular financial amounts related to the EAFRD are also progressively increasing since 2011 and in 2014 they represented the highest share.

Table NR6 shows the information concerning the years 2010-14.

Table NR6: Financial amounts linked to irregularities not reported as fraudulent by Fund – 2010-14 for the CAP

FUND	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
	EUR	EUR	EUR	EUR	EUR	EUR
EAGF	40 980 926	67 543 204	38 910 822	107 305 031	107 971 379	362 711 363
Rural Development	14 318 123	36 969 647	45 849 443	80 657 392	120 243 072	298 037 676
EAGF / Rural Development	1 973 003	2 192 186	1 838 840	2 283 901	2 704 340	10 992 270
TOTAL	57 272 052	106 705 036	86 599 104	190 246 324	230 918 791	671 741 309



3.3. Specific analysis

3.3.1. Irregularities reported as fraudulent

3.3.1.1. Modus operandi

Table NR7 compares the types of irregularity / *modi operandi* linked to fraudulent cases detected in 2014 with those detected from 2010 to 2014 (included) in relation to the EAGF.

The most recurrent modus operandi is related to infringements linked to the documentary proofs requested, and in particular, to the use of '*false or falsified declarations*', '*false or falsified documents*' and '*false or falsified request for aid*', '*declaration of fictitious product, species and/or land*' in line with what reported in general for the whole period 2010-2014. '*Quantities outside permitted limits, quotas or thresholds* (related, respectively to products, species or land)' remained a significant reported type of breach.

Table NR7: Types of irregularities in relation to EAGF

Type of irregularity	irregularities reported as fraudulent in 2014		Irregularities reported as fraudulent 2010-14	
	N	EUR	N	EUR
documentary proof	53	4 723 513	239	47 784 486
request	33	2 127 631	128	23 873 866
product, species and/or land	26	2 926 341	252	27 929 440
(non-)action	7	28 814 598	33	32 894 520
beneficiary	7	595 789	20	2 032 000
other	6	384 697	6	446 885
request / beneficiary / product, species and/or land	6	446 885	16	1 549 566
Ethics and integrity	3	40 009	5	35 111 447
documentary proof / product, species and/or land	2	61 548	3	122 814
(non-)action / documentary proof / beneficiary	2	687 227	2	687 227
documentary proof / (non-)action	2	101 200	7	1 321 826
request / (non-)action	2	301 152	3	401 102
OTHER	17	3 756 676	87	75 594 362
TOTAL	166	44 967 266	801	249 749 541

Table NR8 compares the types of irregularity / *modi operandi* linked to fraudulent cases detected in 2014 with those detected from 2010 to 2014 (included) in relation to the EAFRD.

In 2014, 141 irregularities reported as fraudulent indicated that breaches had occurred in relation to the 'quality of the beneficiary', to the 'implementation' of the action and to the 'documentary proof' supporting the request for aid. Otherwise, the other irregularities reported as fraudulent follow the pattern of the previous years, with infringements linked to the 'documentary proof' being the most recurrent, followed by those related to the nature/quality of the beneficiary.

Table NR8: Types of irregularities in relation to EAFRD

Type of irregularity	irregularities reported as fraudulent in 2014		Irregularities reported as fraudulent 2010-14	
	N	EUR	N	EUR
beneficiary / (non-)action / documentary proof	141	3 898 341	141	3 898 341
documentary proof	55	6 838 353	176	19 567 371
beneficiary	33	2 488 206	75	5 997 423
beneficiary / documentary proof	23	558 000	26	1 673 904
(non-)action	19	1 439 263	78	7 259 531
request	16	1 888 082	47	4 154 855
Ethics and integrity	9	382 007	11	597 180
product, species and/or land	9	124 942	52	1 517 652
other	6	548 518	21	3 586 566
OTHER	24	3 175 483	90	8 098 702
TOTAL	335	21 341 195	717	56 351 526

The 141 irregularities reported as fraudulent in 2014 mentioned above were reported by Hungary and were the result of an investigation coordinated by OLAF.

3.3.1.2. Type of control / method of detection of irregularities reported as fraudulent

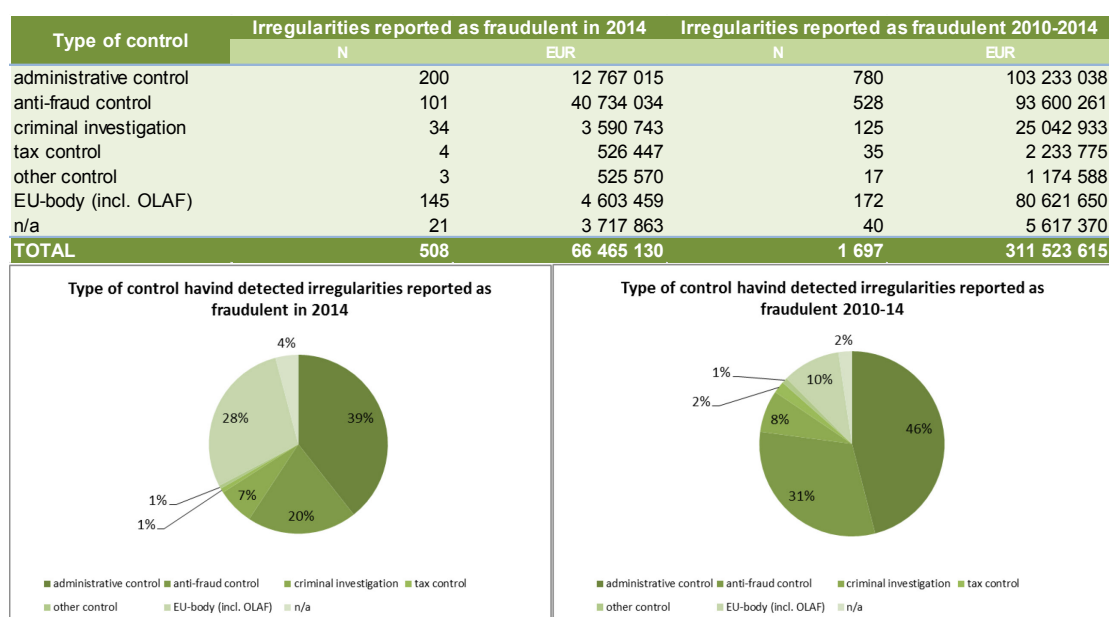
Also in 2014 the trend highlighted in the past two Reports was confirmed, with 'administrative controls' detecting the majority of the irregularities reported as

fraudulent. A significant difference, however, has a substantial impact on the overall situation for 2014: it is represented by the number of irregularities reported as fraudulent detected by an EU body, in particular OLAF. Table NR9 shows the types of control having identified the irregularities reported as fraudulent.

This trend is, nonetheless, confirmed when looking at the results for the analysed period 2010-14, when administrative controls detected about 46% of potentially fraudulent infringements.

The impact in monetary terms of anti-fraud controls and criminal investigations remain significant and counts for 66% of the total detections in 2014 and 38% for the period 2010-14, without including the results from OLAF.

Table NR9: Control methods having identified the irregularities reported as fraudulent in 2014



Of the 145 fraudulent notifications identified by EU-body controls, 141 were reported by Hungary, following the conclusion of an OLAF investigation.

3.4. Anti-fraud activities of Member States

Previous paragraphs have examined the trend and main features and characteristics of the irregularities reported as fraudulent.

The present paragraph aims at examining some aspects linked to the anti-fraud activities and results of Member States. Five elements are taken into account:

- (1) the time that runs between the beginning of the fraudulent practice and its detection/establishment by the competent authority and reporting to the Commission (Detection / Reporting Efficiency);
- (2) the number of irregularities reported as fraudulent by each Member State;

- (3) the fraud detection rate (the ratio between the amounts involved in cases reported as fraudulent and the payments occurred in the financial year 2014);
- (4) the fraud prevention rate (the ratio between the amounts involved in cases reported as fraudulent which have been detected before payments were executed);
- (5) the ratio of cases of established fraud on the total number of irregularities reported as fraudulent.

3.4.1. *Duration of irregularities, Detection and Reporting Efficiency*

Of the 3 835 detected irregularities reported by Member States in 2014, 62% involve infringements that have been protracted during a given span of time. For the irregularities reported as fraudulent this percentage is higher at 68%. The remaining part of the datasets refers to irregularities/breaches which consisted of a single act identifiable on a precise date.

Taking into account only those irregularities which have been protracted in time, their average duration is of 63 months (*i.e.* about 5 years and 4 months).

The two subsets (irregularities reported as fraudulent and those not reported as fraudulent) have two different patterns.

The average duration of those reported as fraudulent is 80 months (*i.e.* over 6 and half years) while that of those not reported as fraudulent is 61 months (*i.e.* just over 5 years).

Looking at the detection and reporting efficiencies of Member States, Table NR10 provides includes the average duration (in months) occurring between the time at which the irregularity began or was committed and when it was detected (detection efficiency), the average time gap (in months) between detection and reporting and their sum. This information is completed with the minimum and maximum values for each of the three categories.

Average detection efficiency is 28 months (2 years and 4 months), while reporting efficiency is at 16 months (1 year and 4 months) improving in comparison with 2013 (down from 22 months).

Table NR10: Detection and Reporting Efficiency of Member States

Member State	Irregularities reported as fraudulent in 2014								
	DetE			RepE			DetE + RepE		
	months/min	months/avg	months/max	months/min	months/avg	months/max	months/min	months/avg	months/max
MT	0	7	47	0	3	5	0	10	52
LV	0	9	31	0	2	3	1	10	34
LT	0	11	44	0	4	22	3	14	46
CZ	0	17	79	0	5	31	2	22	80
SI	1	14	34	0	10	35	1	24	41
EE	0	20	60	0	5	28	2	25	61
BG	0	9	48	1	17	67	8	26	72
PL	0	19	97	0	9	84	2	28	99
RO	0	26	89	0	2	18	0	28	91
IE	0	17	119	0	11	172	1	28	211
CY	0	28	72	0	5	30	8	33	73
FI	0	25	68	0	8	36	2	33	85
SK	0	30	61	0	4	49	2	34	71
PT	0	25	115	0	9	82	0	35	180
DK	0	14	72	0	20	77	1	35	117
SE	0	24	79	0	11	73	4	35	119
NL	0	22	218	0	13	112	2	35	237
HU	0	31	102	0	8	69	2	39	105
UK	0	21	207	0	20	134	1	41	210
GR	0	33	167	0	9	82	2	42	167
EU	0	28	246	0	16	172	0	44	259
BE	1	29	132	0	17	108	2	47	155
FR	0	28	141	0	22	96	1	50	199
IT	0	41	246	0	10	138	1	51	259
ES	0	25	161	0	27	143	0	52	166
DE	0	36	185	0	20	140	2	55	225
AT	2	34	79	0	30	125	6	64	141
LU	30	57	89	3	15	24	49	72	91

The data set used for Table NR10 includes all irregularities (fraudulent and non-fraudulent) reported by Member States in 2014.

3.4.2. Detection of irregularities reported as fraudulent in 2014 by Member State

Map NR1 divides Member States in four groups, depending on the number of irregularities reported as fraudulent in 2014:

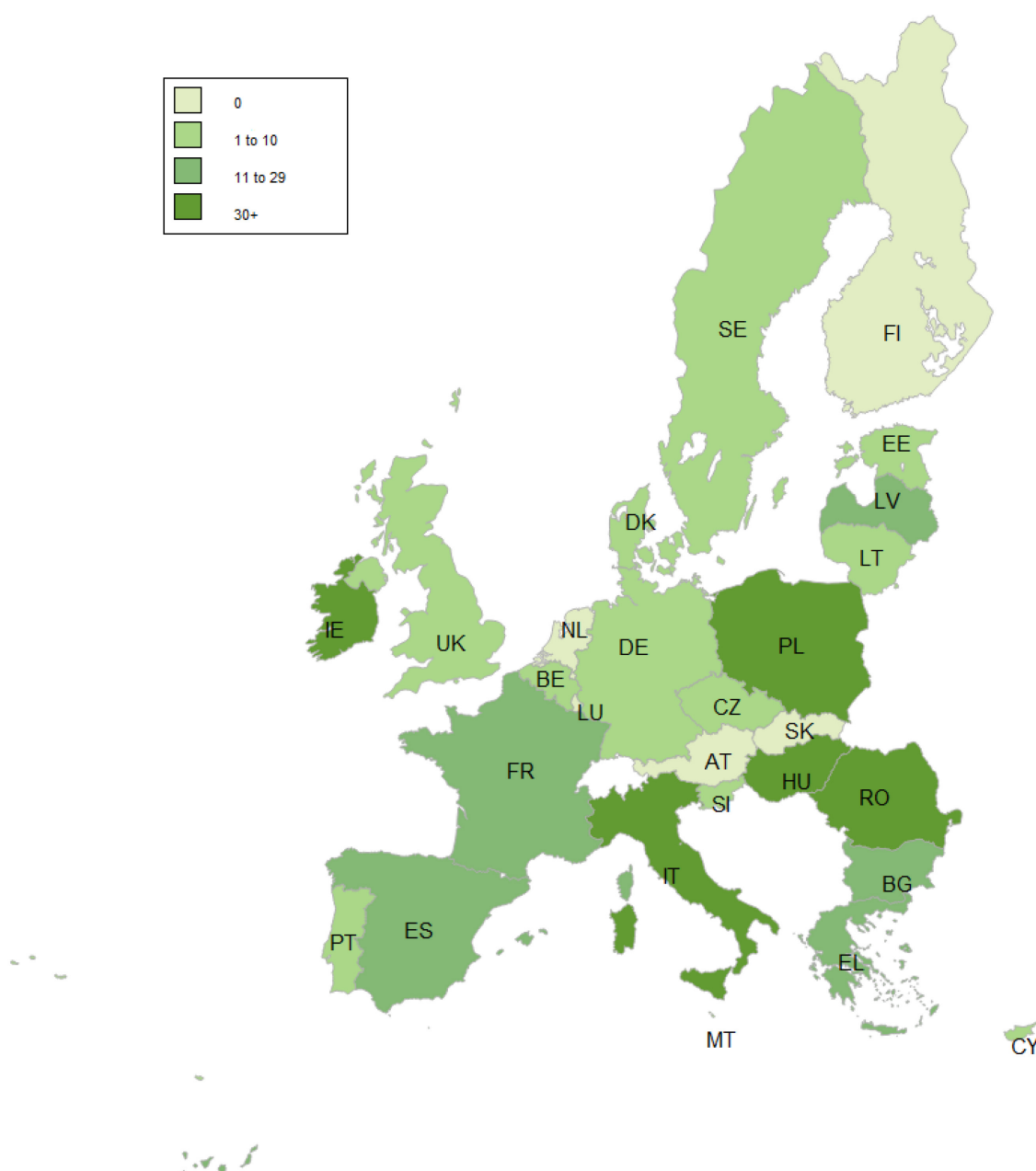
- (1) Group 1: no irregularities reported as fraudulent irregularities in 2014;
- (2) Group 2: between 1 and 9 such cases reported in 2014;
- (3) Group 3: 10 to 30 irregularities reported as fraudulent;
- (4) Group 4: more than 30 cases reported.

Five (5) Member States have notified no irregularity as fraudulent; twelve (12) Member States belong to Group 2; Group 3 is composed of five (5) Member States, as Group 4.

Notably, Denmark passed from Group 4 to Group 2 and Hungary and Ireland from Group 1 to Group 4.

Italy, Poland and Romania confirmed their position in Group 4.

Map NR1: Number of irregularities reported as fraudulent in 2014 by Member State - CAP



The detailed figures of Map NR1 are showed in Table NR10.

3.4.3. *Fraud detection rate*

The fraud detection rate compares the results obtained by Member States in their fight against fraud with the payments received by them in a given financial year. This implies that a single case reported as fraudulent and involving a significant financial amount can produce a better result than that achieved by the sum of the financial impact of several irregularities affecting lower amounts. For this reason, this indicator should be read in conjunction with the number of irregularities reported as fraudulent and for this reason they are presented together in Table NR11.

In 2014, the highest fraud detection rates are referred to Estonia, Poland, Romania, Malta, Hungary, Latvia and Lithuania.

Table NR11: number of irregularities reported as fraudulent in 2014, amounts involved and fraud detection rate by Member State

Member State	Irregularities reported as fraudulent in 2014		Payments in 2014	FDR 2014
	N	EUR	EUR	
AT			962 462 370	0.00%
BE	1	390 000	622 462 835	0.06%
BG	11	506 467	995 842 888	0.05%
CY	2	40 462	79 896 244	0.05%
CZ	4	273 589	1 176 057 555	0.02%
DE	6	146 831	6 114 432 515	0.00%
DK	3	50 349	1 009 350 191	0.00%
EE	4	1 053 243	162 442 930	0.65%
ES	19	575 743	6 548 904 831	0.01%
FI			581 618 876	0.00%
FR	17	3 251 655	9 129 675 338	0.04%
GR	12	741 437	2 840 810 169	0.03%
HU	178	6 675 246	1 890 200 373	0.35%
IE	33	388 420	1 234 460 726	0.03%
IT	54	5 812 888	5 709 869 731	0.10%
LT	6	1 603 846	612 272 514	0.26%
LU			34 673 640	0.00%
LV	11	715 218	206 560 006	0.35%
MT	1	61 814	16 980 172	0.36%
NL			950 660 981	0.00%
PL	78	31 838 807	4 908 504 863	0.65%
PT	6	2 633 580	1 418 389 404	0.19%
RO	53	8 560 882	2 157 390 973	0.40%
SE	1	7 543	914 102 583	0.00%
SI	3	679 525	264 567 263	0.26%
SK			527 843 268	0.00%
UK	5	457 585	3 926 253 171	0.01%
TOTAL	508	66 465 130	54 996 686 410	0.12%

3.4.4. Ratio of established fraud / Dismissal ratio

Table NR11 shows the ratio between the cases of established fraud and the total number of irregularities reported as fraudulent (including suspected and established fraud) in the period 2009-13. Taking into account only cases reported in 2014 would be meaningless, as the criminal proceedings leading to a conviction for fraud may take several years, while using the period 2010-14 would be misleading as it will be impossible to make a sound comparison with figures published in the 2013 Report. However information concerning the years 2010-14 is published (for reference for the next years) in Table NR12.

Table NR12 has been completed with the 'Dismissal ratio', calculated by the differences between the total number of irregularities reported as fraudulent published

in the corresponding table in the 2013 Report (TOTAL 2013) and the total calculated taking into account the updates received in 2014. When the ratio is positive, it means that Member States have classified as ‘suspected’ or ‘established fraud’ an irregularity appearing as fraudulent in 2013.

In this respect, the average ratio of established fraud at EU level is 8%, increasing from 7% of 2013. The dismissal ratio is 4%.

Table NR12: number of cases of suspected and established fraud and ratio of established fraud – cases reported between 2009-13 in the CAP

Member State	Suspected fraud	Established fraud	TOTAL	Ratio established fraud	TOTAL at the end of 2013	Dismissal ratio
	N	N	N	%	N	%
AT	9	1	10	10%	10	0%
BE	10	1	11	9%	12	-8%
BG	169	58	227	26%	233	-3%
CZ	25		25	0%	20	25%
DE	19	3	22	14%	24	-8%
DK	118		118	0%	118	0%
EE	21	1	22	5%	22	0%
ES	22	1	23	4%	29	-21%
FI				-	1	-100%
FR	19		19	0%	27	-30%
GR	34	1	35	3%	34	3%
HU	96	3	99	3%	89	11%
IE	4		4	0%	4	0%
IT	377	11	388	3%	409	-5%
LT	5		5	0%	1	400%
LU	1		1	0%	1	0%
LV	6	1	7	14%	8	-13%
MT	5		5	0%	5	0%
NL	4		4	0%	4	0%
PL	179	15	194	8%	194	0%
PT	3		3	0%	2	50%
RO	104	5	109	5%	147	-26%
SE	6		6	0%	6	0%
SI	13	1	14	7%	16	-13%
SK	2		2	0%	2	0%
UK	7	2	9	22%	8	13%
TOTAL	1 258	104	1 362	8%	1 426	-4%

Table NR13 provides the information concerning the number of cases of suspected and established fraud and ratio of established fraud calculated for the years 2010-14. It will be used in the coming reports for comparability.

Table NR13: number of cases of suspected and established fraud and ratio of established fraud – cases reported between 2010-14 in the CAP

Member State	Suspected fraud	Established fraud	TOTAL	Ratio established fraud
	N	N	N	%
AT	9	1	10	10%
BE	7	2	9	22%
BG	135	58	193	30%
CY	2		2	0%
CZ	28		28	0%
DE	19	3	22	14%
DK	121		121	0%
EE	24	1	25	4%
ES	34	1	35	3%
FR	34	1	35	3%
FI			0	
GR	46	1	47	2%
HU	274	3	277	1%
IE	34	3	37	8%
IT	416	11	427	3%
LT	11		11	0%
LU	1		1	0%
LV	17	1	18	6%
MT	6		6	0%
NL	3		3	0%
PL	210	16	226	7%
PT	9		9	0%
RO	136	9	145	6%
SE	6		6	0%
SI	16	1	17	6%
SK	2		2	0%
UK	10	2	12	17%
TOTAL	1 610	114	1 724	7%

3.5. Recovery cases

3.5.1. Legal Framework

Regulation (EU) No 1306/2013 on the financing of the CAP requires the Member States to recover sums lost as a result of detected irregular payments. However, the recovery procedures, in accordance with the principle of subsidiarity, are wholly the responsibility of the Member States concerned and, thus, subject to their individual administrative and judicial procedures. Therefore, while some procedures deliver rapid results, others take more time.

In order to address delays by some Member States in recovering undue payments, the legislator introduced an automatic clearing mechanism under which 50 % of any undue payments which the Member States have not recovered from the beneficiaries within 4 years or, in the case of legal proceedings, 8 years, would be charged to their national budgets (50/50 rule).

Even after the application of this mechanism, Member States are, however, obliged to pursue their recovery procedures and, if they fail to do so with the necessary diligence, the Commission may decide to charge the entire outstanding amounts to the Member States concerned. Moreover, Member States are required to off-set any outstanding debts against future payments to the debtor (compulsory compensation).

With the entry into force of the new legal framework, the 50/50 rule now has to be applied to EAFRD in the financial year when it occurs and not at the closure of the programme. Consequently, for financial year 2014, the Member States are required to indicate amounts to be charged under the 50/50 rule also for EAFRD 2007-2013 for the first time³⁵.

Undue payments that are the result of administrative errors committed by the national authorities also have to be deducted from the annual accounts of the Paying Agencies concerned and, thus, excluded from EU financing.

3.5.2. *Amounts recovered in 2014 for the EAGF*

Table NR14 below sets out the amounts recovered in 2014 from the beneficiaries by the Member States for the EAGF³⁶.

The total amount recovered is EUR 150.3 million. This corresponds to the amount declared by DG AGRI in note 6 to the consolidated accounts for 2014.

Amounts recovered in respect of cross-compliance infringements are indicated separately and deducted to show the amount of recoveries for 2014 which DG AGRI considers to be relevant for its corrective capacity³⁷ – i.e. an amount of EUR 112.4 million.

³⁵ Article 54(2) of Regulation (EU) No 1306/2013.

³⁶ Until the entry into force of Regulation 908/2014 (implementing Regulation for Regulation 1306/2013), Paying Agencies were not required to record the budget code of the amounts recovered and it is not, therefore, possible to provide a breakdown of recovered amounts between ABB02 (market measures) and ABB03 (direct payments) for the EAGF. From financial year 2016, the Paying Agencies are required to record the budget code of the expenditure of origin and thus will be able provide the data on recoveries at ABB level.

³⁷ see section 2.1.1.3.3 of the Annual Activity Report of DG AGRI.

Table NR14: EAGF - Recoveries by the Member States from the final beneficiaries of unduly paid amounts in 2014

Member State	EAGF - Amounts recovered by Member States in 2014		
	Total recoveries	Cross-compliance recoveries	EAGF less cross-compliance
	EUR	EUR	EUR
Belgium	2 203 089	1 461 519	741 570
Bulgaria	1 942 165	260 094	1 682 071
Czech Republic	578 817	382 960	195 857
Denmark	2 414 066	1 588 591	825 475
Germany	11 907 498	6 797 873	5 109 625
Estonia	336 071	280 203	55 868
Ireland	11 894 136	3 681 991	8 212 145
Greece	4 140 957	747 218	3 393 739
Spain	19 505 699	1 233 915	18 271 784
France	17 519 546	3 669 487	13 850 059
Croatia	14 706	14 458	248
Italy	18 210 921	1 480 959	16 729 962
Cyprus	499 966	59 183	440 783
Latvia	861 973	483 100	378 873
Lithuania	4 382 775	4 156 362	226 413
Luxembourg	128 954	107 525	21 429
Hungary	5 670 157	879 774	4 790 383
Malta	40 151	16 465	23 686
Netherlands	2 230 904	617 344	1 613 560
Austria	13 607 338	364 093	13 243 245
Poland	5 079 430	2 228 537	2 850 893
Portugal	4 704 289	217 691	4 486 598
Romania	5 399 287	1 028 427	4 370 860
Slovenia	625 768	182 573	443 195
Slovakia	1 057 624	792 351	265 273
Finland	1 073 933	427 203	646 730
Sweden	2 662 461	885 633	1 776 828
United Kingdom	11 612 982	3 901 025	7 711 957
TOTAL	150 305 663	37 946 554	112 359 109

3.5.3. Amounts recovered by the Member States in financial year 2014 for the EAFRD

Table NR15 below sets out the amounts recovered in 2014 from the beneficiaries by the Member States for the EAFRD.

Table NR15: EAFRD - Recoveries from the final beneficiaries of unduly paid amounts in 2014

Recoveries for EAFRD in 2014		
		EUR
a	Total Rural development recoveries*	168 642 720
b	SAPARD (2000-2006)	400 042
c	TRDI (2000-2006)	17 508 936
d=a-(b+c)	EAFRD	150 733 742
e	Cross compliance corrections	28 834 628
f= d-e	TOTAL excluding cross compliance corrections	121 899 115

**The total amount recovered is EUR 168.6 million. This amount differs slightly from that provided for note 6 (point 6.1.2) to the (provisional) Consolidated Annual Accounts (EUR 167 million), which was based on preliminary data that has been subsequently updated.*

For the purpose of calculating corrective capacity³⁸, recoveries in respect of SAPARD and TRDI are excluded as they are not relevant to EAFRD. Also deducted are recovered amounts in respect of cross-compliance infringements. The resulting amount of recoveries for 2014 which DG AGRI considers relevant for its corrective capacity is EUR 121.9 million.

Table NR16: EAFRD - Recoveries by the Member States from the final beneficiaries of unduly paid amounts in 2014

Member State	EAFRD - Amounts recovered by Member States in 2014		
	Total recoveries	Cross-compliance recoveries	EAFRD less cross-compliance
	EUR	EUR	EUR
Austria	12 410 698	52 485	12 358 213
Belgium	611 171	16 722	594 449
Bulgaria	1 936 946	1 183 341	753 605
Cyprus	158 873	95 345	63 528
Czech Republic	1 208 011	120 559	1 087 452
Germany	12 814 075	915 793	11 898 282
Denmark	1 182 759	84 558	1 098 201
Estonia	1 911 891	290 341	1 621 550
Spain	9 842 340	711 053	9 131 287
Finland	1 126 860	166 338	960 522
France	2 106 299	304 252	1 802 047
United Kingdom	6 872 547	221 189	6 651 358
Greece	5 005 597	3 848 680	1 156 917
Croatia	0	0	0
Hungary	9 784 019	3 259 624	6 524 395
Ireland	4 610 475	248 792	4 361 683
Italy	14 338 807	10 601 975	3 736 832
Lithuania	3 675 863	2 955 461	720 402
Luxembourg	69 879	37 637	32 242
Latvia	1 563 909	513 724	1 050 185
Malta	113 753	24 215	89 538
Netherlands	471 774	5 115	466 659
Poland	10 563 568	229 064	10 334 504
Portugal	17 716 508	335 457	17 381 051
Romania	26 363 136	2 118 642	24 244 494
Sweden	1 613 089	36 153	1 576 936
Slovenia	1 213 383	97 160	1 116 223
Slovakia	1 447 514	360 955	1 086 559
TOTAL	150 733 744	28 834 630	121 899 114

3.5.4. Application of the 50/50 Rule

The financial consequences of non-recovery for cases dating from 2010 (4 year deadline for recovery) or 2006 (8 year deadline if legal proceedings) will be determined for 2014 in accordance with the 50/50 rule mentioned above by charging

³⁸

See section 2.1.1.3.3 of the Annual Activity Report of DG AGRI.

approximately 18.5 million EUR to the Member States concerned.⁴⁸ Moreover, around 17.6 million EUR will be borne by the EU budget for cases reported irrecoverable during financial year 2014⁴⁹. The final figures will be established in May 2015 when the financial clearance decision for financial year 2014 will be adopted. Due to the application of the 50/50 rule, important non-recovered sums have already been charged to the Member States for EAGF expenditure.

The overall outstanding amount still to be recovered from the beneficiaries at the end of that financial year was 1 588.5 million EUR. Of this amount, 1 348.8 million EUR is outstanding to the EU budget (the difference having already been charged to the Member States via the 50/50 mechanism).

The clearance mechanism (50/50 rule), referred to above, provides a strong incentive for Member States to recover undue payments from the beneficiaries as quickly as possible. As a result, by the end of financial year 2014, 45 % of the new EAGF debts from 2007 and thereafter had already been recovered, which is a significant improvement compared to the past. The detailed breakdown of this recovery rate has developed as indicated in Table NR17.

Table NR17: Rate of recovery from beneficiaries of irregularities detected since 2007 - EAGF

		Recovery rate						
		until the end of 2007	until the end of 2008	until the end of 2009	until the end of 2010	until the end of 2011	until the end of 2012	until the end of 2013
year of discovery of the irregularity	2007	33%	47%	50%	53%	60%	68%	69%
	2008	-	24%	40%	47%	49%	58%	60%
	2009	-	-	24%	33%	42%	44%	46%
	2010	-	-	-	29%	39%	44%	45%
	2011	-	-	-	-	23%	34%	39%
	2012	-	-	-	-	-	34%	60%
	2013	-	-	-	-	-	-	23%
	2014	-	-	-	-	-	-	14%
	2007-2014	-	-	-	-	-	-	45%

It is worth noting that some of these new debt amounts were already written off by Member States in the period 2007-2013 (91.4 million EUR) and therefore they will most likely not be recovered. For more details on the recovery rates at Member State level, see Table NR18.

Table NR18: Recoveries (EUR) from beneficiaries for cases detected since 2007 - EAGF

Member State	New cases since 2007	Adjustments	Recoveries	Recovery rate
	EUR	EUR	EUR	%
Belgium	80 456 568	-29 370 076	-27 608 112	54%
Bulgaria	2 091 872	241 624	-58 758	3%
Czech Republic	2 495 242	-111 396	-2 298 452	96%
Denmark	32 952 461	8 926 624	-24 251 975	58%
Germany	78 031 637	-2 688 716	-64 295 092	85%
Estonia	2 421 678	-1 017 457	-1 264 640	90%
Ireland	28 114 520	-2 763 831	-23 268 265	92%
Greece	62 606 862	-18 354 241	-12 714 215	29%
Spain	239 314 754	-31 123 900	-134 627 547	65%
France	368 563 037	26 428 945	-67 717 996	17%
Croatia	285	0	-246	86%
Italy	274 398 904	62 051 916	-120 681 856	36%
Cyprus	2 956 318	-19 502	-2 102 597	72%
Latvia	1 911 184	-31 603	-1 471 526	78%
Lithuania	6 370 389	-2 513 194	-3 527 692	91%
Luxembourg	1 074 885	-494 513	-322 886	56%
Hungary	70 190 150	-33 663 712	-14 293 371	39%
Malta	1 098 991	94 290	-609 346	51%
Netherlands	68 278 567	-8 404 665	-22 412 316	37%
Austria	44 416 388	-1 558 648	-41 992 073	98%
Poland	76 552 801	-18 200 834	-20 828 529	36%
Portugal	74 157 054	-18 372 972	-33 131 034	59%
Romania	32 701 152	101 973	-13 283 090	40%
Slovenia	15 920 318	-1 928 023	-4 812 965	34%
Slovakia	2 798 710	-799 198	-618 913	31%
Finland	10 010 234	182 436	-9 402 201	92%
Sweden	26 775 230	-4 035 113	-18 915 230	83%
United Kingdom	51 833 109	-8 904 085	-36 749 480	86%
TOTAL	1 658 493 300	-86 327 870	-703 260 403	45%

3.5.5. Commission's Audits

During the period 2008-2014, DG AGRI audited the correct application of the new clearance mechanism through 32 audit missions in 19 Member States (including all EU-15 Member States with a low recovery rate for the cases detected since 2007). Except for two cases (IT and IE), in general the Member States' authorities have adequate procedures in place to protect the financial interest of the European Union. Deficiencies found during these audits are being followed in the context of conformity clearance procedures.

The diligence of the Member States' authorities in the recovery of the most significant individual irregularity cases is assessed in the context of a further 25 on-going conformity clearance procedures (desk audits).

In 2012, an OLAF investigation revealed for the Italian Paying Agency some serious issues regarding the completeness of the debtors' ledger, the prescription of certain debts, and some national schemes allegedly funded by the EU budget.

In addition, the European Court of Auditors, in the framework of the DAS 2013 exercise, also raised serious concerns regarding the debt management systems implemented in IT (AGEA), and IE (DAFF). DG AGRI took this into account in its risk analysis and carried out an audit mission in Italy in September 2014 while an audit to Ireland will take place in the 2015-2016 audit year.

Concerning the audit of the debt management system implemented by the Italian Paying Agency AGEA (IT01), the audit confirmed the serious concerns regarding the management of irregularities and other debts for financial year 2010 and earlier, and more generally all irregularities and debts for which the payment of origin was made in financial year 2007 or before. A number of weaknesses concerning the accreditation criteria for debts were noted (improper internal environment; insufficient control activities and monitoring mechanisms). Based on its findings, DG AGRI considered that the non-recovery of the debts in financial year 2010 and earlier was attributable to the negligence of the Italian authorities in the recovery procedure and therefore intends to propose financial corrections for these financial years.

4. COMMON FISHERIES POLICY (CFP)

As the activities of each fishing fleet affect the opportunities of other fleets, the EU countries have decided to manage their fisheries in collaboration, through the common fisheries policy (CFP). This policy brings together a range of measures designed to achieve a thriving and sustainable European fishing industry.

Among the most important areas of action of the CFP is the provision of funding and technical support for initiatives that can make the industry more sustainable. These actions are supported by the European Fisheries Fund (EFF).

4.1. General analysis

Implementation of programmes financed by the EFF has been implemented more slowly than that of other policies under shared management in the first years of the programming period 2007-2013³⁹. For this reason, the number of irregularities reported by Member States in relation to this fund is limited and has started in 2010.

Table NR19 shows the overall number of irregularities (fraudulent and non-fraudulent) reported by year and the related financial amounts.

The increase from one year to the other simply reflects the increased level of implementation of the programmes.

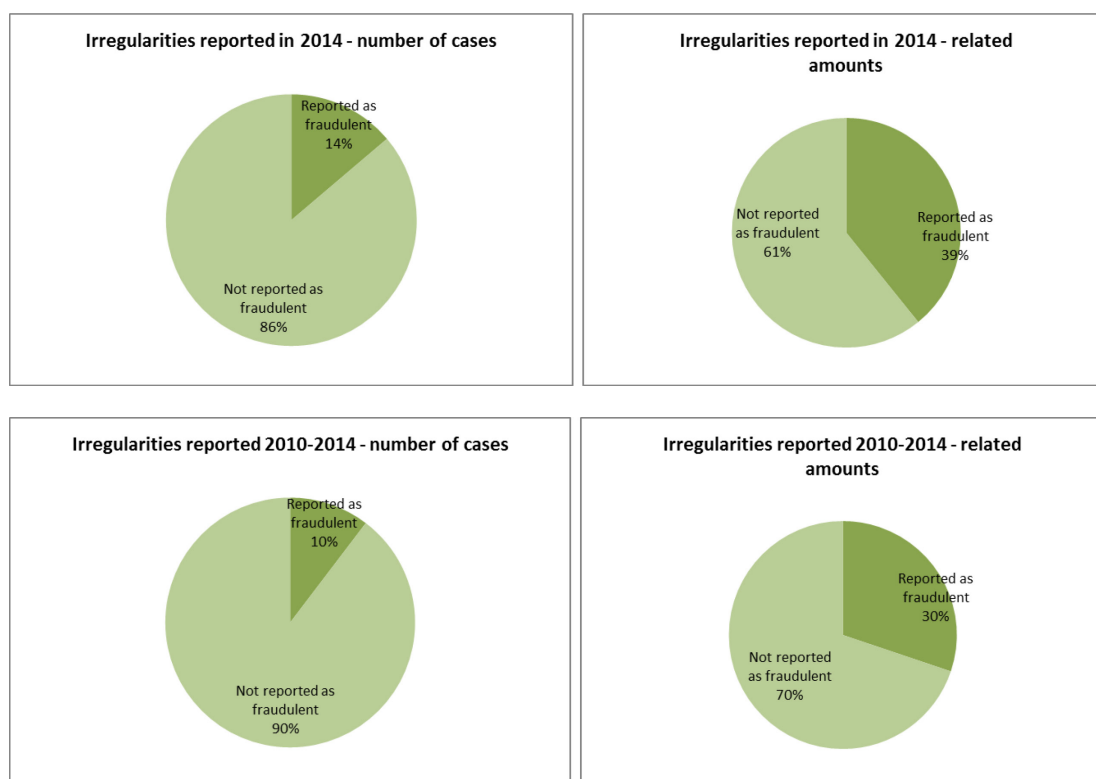
The share of irregularities reported as fraudulent on the total is more important in 2014 (14% and 39% of the related amounts) than in the reference period 2010-2014 (10% and 30% of the related amounts).

Table NR19: EFF - Irregularities (fraudulent and non-fraudulent) reported by year – 2010-2014

Year	Irregularities	Reported as fraudulent		Not reported as fraudulent		TOTAL	
		N	EUR	N	EUR	N	EUR
2010		1	193 916	5	14 687	6	208 603
2011		1	22 580	29	554 763	30	577 343
2012		4	706 272	73	6 676 671	77	7 382 943
2013		21	8 852 308	131	13 740 271	152	22 592 579
2014		11	2 140 949	91	6 591 557	102	8 732 506
TOTAL		38	11 916 025	329	27 577 949	367	39 493 974

³⁹

For the analysis of irregularities reported in relation to the Financial Instrument for Fishery Guidance (FIFG) related to the programming period 2000-06, see chapter 5 on the Cohesion Policy.



4.2. Specific analysis

Given the limited number of irregularities reported so far, the analysis covers the whole period 2010-14.

4.2.1. Types of irregularity detected

The number of irregularities reported in relation to the EFF is limited and to some extent incomplete in relation to the typologies of irregularities detected by national authorities.

This is reflected by the circumstance that of the 386 detected irregularities (fraudulent and non-fraudulent), 116 do not indicate the *modus operandi* (30% of the total, up from 23% of 2013).

The most detected typology is 'Not eligibility for aid of the action/project', followed 'Other irregularities', 'Infringements of public procurement rules' and 'Other infringements concerning the implementation of the project/action' and 'Documents missing and/or not provided'. These types plus those for which no *modus operandi* has been reported cover 81% of the reported irregularities.

In relation to the 40 irregularities reported as fraudulent, there is no real pattern emerging from the reported information, also taking into account that in 23 cases no information has been provided.

4.2.2. Method of detection

In relation to the methods of detection, the most frequently reported are 'Control of accounts', 'Initial inquiry/control of documents' and 'On-the-spot checks'. Specific information is missing in 99 cases (26%).

In relation to the irregularities reported as fraudulent, information is missing in twenty-five (25) cases; eleven (10) occurrences are linked to 'judicial inquiries' and in eight (8) cases the method used was the 'control of documents'.

4.3. Control activity by Member States

Table NR20 shows the results of the control activities in the Member States in 2014.

Irregularities have been detected and reported by 18 Member States; fraudulent irregularities by 5 Member States. In terms of numbers of irregularities, the majority has been detected by Portugal, Spain and Bulgaria, while in terms of amounts the highest results have been obtained by Romania and Bulgaria.

Bulgaria is the Member State having detected and reported the highest number of fraudulent irregularities. The 5 Bulgaria cases represent 45% of the total number of irregularities reported as fraudulent. However the single irregularity reported as fraudulent by Romania accounts for 45% of the related amounts.

Table NR20: EFF – Irregularities (fraudulent and non-fraudulent) reported by Member State – 2014

Member State	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		TOTAL	
	N	EUR	N	EUR	N	EUR
BG	5	772 584	7	328 650	12	1 101 234
CZ			2	11 744	2	11 744
DE			1	14 120	1	14 120
EE			9	191 886	9	191 886
ES			12	842 444	12	842 444
FI			5	91 674	5	91 674
FR	1		9	991 634	10	991 634
HU			2	324 559	2	324 559
IT	3	370 654	2	16 583	5	387 237
LT			3	50 536	3	50 536
NL			1	24 892	1	24 892
PL			6	847 041	6	847 041
PT	1	28 979	13	970 392	14	999 370
RO	1	968 733	3	1 156 319	4	2 125 051
SE			4	82 988	4	82 988
SI			1	10 620	1	10 620
SK			1	41 065	1	41 065
UK			10	594 411	10	594 411
TOTAL	11	2 140 949	91	6 591 557	102	8 732 506

Table NR21 shows the overall results for the whole programming period 2007-13.

Irregularities have been detected and reported by 24 Member States; 6 Member States have reported fraudulent irregularities during this period. Spain, Poland and the United Kingdom are the countries having reported the highest number of irregularities (fraudulent and non-fraudulent). Italy is the Member State having detected and reported the highest number of fraudulent irregularities and related amounts.

The established fraud ratio in the Fishery sector is calculated at 7.5% with only two Member States reporting of finalised procedures (Italy and Estonia).

Table NR21: EFF – Irregularities (fraudulent and non-fraudulent) reported by Member State – 2010-14

Member State	Irregularities reported as fraudulent				Irregularities not reported as fraudulent		TOTAL	
	Suspected fraud		Established fraud					
	N	EUR	N	EUR	N	EUR	N	EUR
AT					1	17 645	1	17 645
BG	6	953 454			7	328 650	13	1 282 104
CY	2	203 450			1	11 516	3	214 966
CZ					6	1 388 368	6	1 388 368
DE					2	17 517	2	17 517
DK					14	1 664 437	14	1 664 437
EE			1	193 916	16	579 901	17	773 817
ES					85	8 026 809	85	8 026 809
FI					7	186 609	7	186 609
FR	1				9	991 634	10	991 634
GR					1	14 377	1	14 377
HU					3	341 898	3	341 898
IE					10	136 460	10	136 460
IT	22	7 953 281	2	937 729	9	670 813	33	9 561 823
LT					7	130 388	7	130 388
LV	1	347 118			3	156 007	4	503 125
NL					4	175 568	4	175 568
PL	2	1 057 045			52	2 355 215	54	3 412 261
PT	2	239 029			26	2 209 225	28	2 448 254
RO	1	968 733			32	6 456 194	33	7 424 927
SE					11	406 136	11	406 136
SI					1	10 620	1	10 620
SK					2	59 065	2	59 065
UK					37	1 940 704	37	1 940 704
TOTAL	37	11 722 110	3	1 131 645	346	28 275 757	386	41 129 511

Cohesion for growth and employment

Cohesion for growth and employment' covers the Structural Funds, i.e. the European Regional Development Fund (ERDF) and the European Social Fund (ESF), as well as the Cohesion Fund (CF).

It relates essentially to the following policy areas:

- regional policy, for the ERDF and the CF, and
- employment and social affairs, for the ESF.

The principal objective of cohesion policy is to strengthen economic, social and territorial cohesion between regions and Member States of the EU by providing additional resources for those regions and countries whose economic development is lagging behind. The Structural Funds also aim at strengthening regions' competitiveness and attractiveness, as well as employment, and at strengthening cross-border, transnational and interregional cooperation. The resources available are concentrated on promoting economic convergence, in particular on sustainable growth, competitiveness and employment in line with the Europe 2020 strategy. These resources are also essential tools to fight financial, economic and social crises.

Cohesion policy is promoted using three shared management instruments, with individual EU countries actually distributing funds and managing expenditure.

Sustainable growth is also promoted through centralised direct management by the Commission and centralised indirect management where the Commission distributes funds to EU and other agencies (see chapter 6).

5. COHESION POLICY

The resources for the Cohesion policy support three main objectives:

- **Convergence:** aims to modernise and diversify regional economic structures, to support sustainable integrated economic development and create sustainable jobs.
- **Regional competitiveness and employment:** covers environment and risk prevention, access to transport and telecommunications services; Innovation and the knowledge economy.
- **The European Territorial Cooperation objective:** focuses on development of economic and social cross-border activities; transnational cooperation, and networking and exchange of experiences between regional and local authorities.

Three financial instruments are the vehicles to achieve the goals of this policy:

- The European Regional Development Fund (ERDF) is the largest fund and aims to support the development and structural adjustment of less developed

regions in all Member States through investments in research, infrastructure, business support or direct financial support to SMEs.

- The European Social Fund (ESF) prevents and fights unemployment, by making Europe's workforce and companies better equipped to face new challenges and preventing people losing touch with the labour market. Training programs are the primary method; however advice, coordination and sometimes microfinance are also provided to entrepreneurs and SMEs.
- The Cohesion Fund promotes sustainable development in Member states with a per person GNI below 90% of the EU average. The fund has two components: Transport and Environment.

Table CP1 shows the financial resources available for the Cohesion Policy under the different financial instruments. The table also shows that, even if there are virtually no more commitments related to the programming period 2000-06, payments linked to it, although limited, are still part of the picture.

Table CP1: Financial instruments and 2014 appropriations for the Cohesion Policy by programming period and financial instruments

Programming Period / Financial Instrument	Appropriations 2014		Appropriations 2010-14	
	Commitments	Payments	Commitments	Payments
	EUR billion	EUR billion	EUR billion	EUR billion
Programming Period 2014-20	32.58	5.60	32.58	5.60
Programming Period 2007-13	46.63	51.72	206.80	222.66
ERDF	26.85	28.93	116.76	129.24
Cohesion Fund	10.00	12.85	45.33	43.87
ESF	9.77	9.94	44.72	49.56
Programming Period 2000-06	0.02	0.28	0.03	15.82
ERDF	0.00	0.17	0.00	6.26
ESF	0.00	0.06	0.00	2.46
EAGGF - Guidance	0.00	0.01	0.00	1.01
FIFG	0.02	0.04	0.02	0.06
Cohesion Fund	0.00	0.00	0.00	6.04
TOTAL	79.23	57.60	239.41	244.08

5.1. Trend analysis

In comparison with the other budget sectors, the analysis of the Cohesion policy poses a higher level of complexity, given by the fact that the information received is related to different programming periods, which are regulated by different rules.

5.1.1. Irregularities reported as fraudulent

5.1.1.1. Trend by programming period

Table CP2 analyses the trend linked to the communication of the irregularities reported as fraudulent in the last five years (2010-2014), making a distinction by Fund involved and the relevant programming period.

In the last five years, while the fraudulent irregularities linked to the PP2000-06 have been decreasing (although this decrease is less evident between 2012 and 2013), those linked to the PP2007-13 have been constantly increasing. These trends are linked to the current implementation of the latter period and the closure of the previous. They also reflect the increasing attention and resources deployed to combat

fraud in relation to the programming period 2007-13. No case has been so far notified in relation to the programming period 2014-20 whose implementation and spending on projects will effectively take off only in the coming years.

Table CP2: trend of the number of irregularities reported as fraudulent between 2010 and 2014 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
	N	N	N	N	N	N
Programming Period 2007-13	58	145	182	255	259	899
Cohesion Fund	3	3	9	11	13	39
ERDF	30	93	91	163	163	540
ESF	25	49	82	81	83	320
Programming Period 2000-06	239	80	74	71	47	511
Cohesion Fund				1		1
ERDF	52	36	40	29	10	167
ESF	133	34	19	28	29	243
EAGGF - Guidance	49	9	14	13	8	93
FIFG	5	1	1			7
TOTAL	297	225	256	326	306	1 410

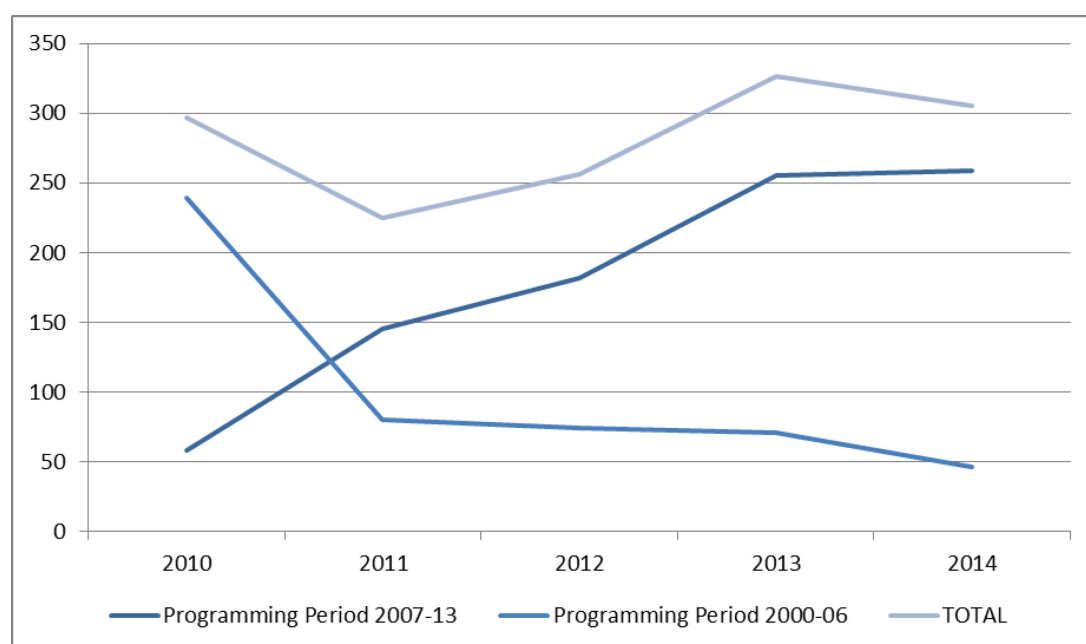
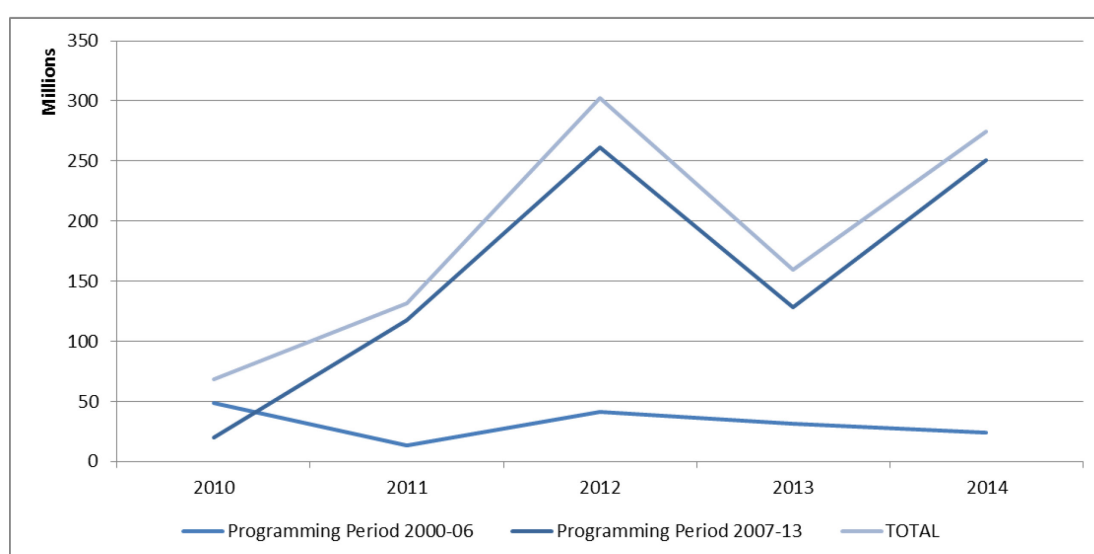


Table CP2 and its associated chart do not include irregularities reported as fraudulent related to previous programming periods, which have been communicated until 2011.

Table CP3 provides in the same form of Table CP2 information about the trends linked to the amounts involved in cases reported as fraudulent, confirming the continuous increase related to the PP2007-13, although, concerning involved amounts, fluctuations can be much more significant as individual cases involving high amounts can easily distort the overall picture. This is clearly the case concerning the years 2011 to 2013, with the intermediate showing the highest amounts.

Table CP3: trend of financial amounts linked to the irregularities reported as fraudulent between 2009 and 2013 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
	N	N	N	N	N	
Programming Period 2007-13	19 659 897	117 609 795	261 669 400	128 424 402	250 360 704	777 724 198
Cohesion Fund	10 525 386	248 479	133 011 226	21 285 774	161 744 024	326 814 889
ERDF	5 267 142	114 884 967	113 815 081	89 273 639	72 194 327	395 435 156
ESF	3 867 369	2 476 349	14 843 093	17 864 989	16 422 353	55 474 154
Programming Period 2000-06	48 314 246	13 642 293	41 077 952	31 497 144	23 854 810	158 386 444
Cohesion Fund				5 063 005		5 063 005
ERDF	30 987 125	10 327 812	35 142 387	13 367 527	18 483 220	108 308 071
ESF	7 998 897	2 538 438	2 877 365	11 019 227	4 770 231	29 204 158
EAGGF - Guidance	7 489 790	748 178	2 915 115	2 047 385	601 358	13 801 827
FIFG	1 838 433	27 865	143 085			2 009 383
TOTAL	67 974 143	131 252 088	302 747 352	159 921 546	274 215 514	936 110 643



5.1.1.2. Trend by Fund

The analysis of the same data presented in Table CP2 but focussed on the distribution of the irregularities reported as fraudulent by Fund (Table CP4), highlights the following situations:

- (1) The continuous increase since 2010 of cases concerning the ERDF has stopped in 2014;
- (2) Potential frauds affecting the Cohesion fund are reported regularly since 2010, while only one case has been reported (in 2013) in relation to the whole programming period 2000-2006;
- (3) After a significant decrease, between the years 2009-2011, of the cases related to the ESF, these have remained quite stable between 2012 and 2014;
- (4) Since 2013, no more cases concerning the FIFG have been reported (see chapter 4 on the EFF for the programming period 2007-2014).

Table CP4: trend of the number of irregularities reported as fraudulent between 2010 and 2014 by Fund – Cohesion Policy

FUND	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
Cohesion Fund	3	3	9	12	13	40
ERDF	82	129	131	192	173	707
ESF	158	83	101	109	112	563
EAGGF - Guidance	49	9	14	13	8	93
FIFG	5	1	1	0	0	7
TOTAL	297	225	256	326	306	1 410

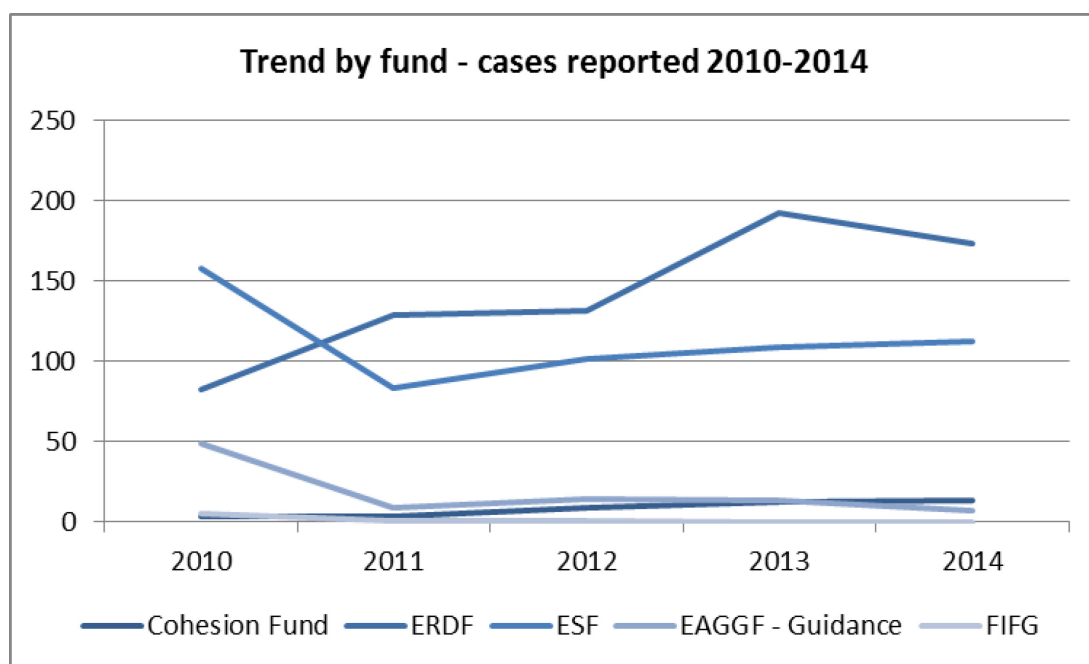
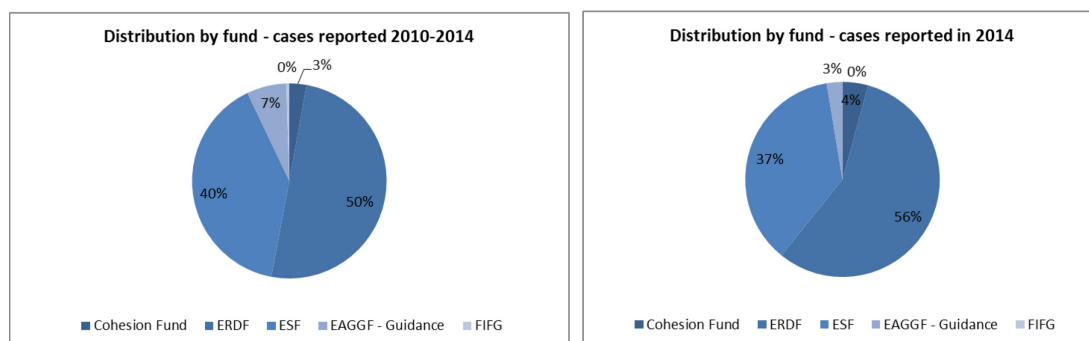


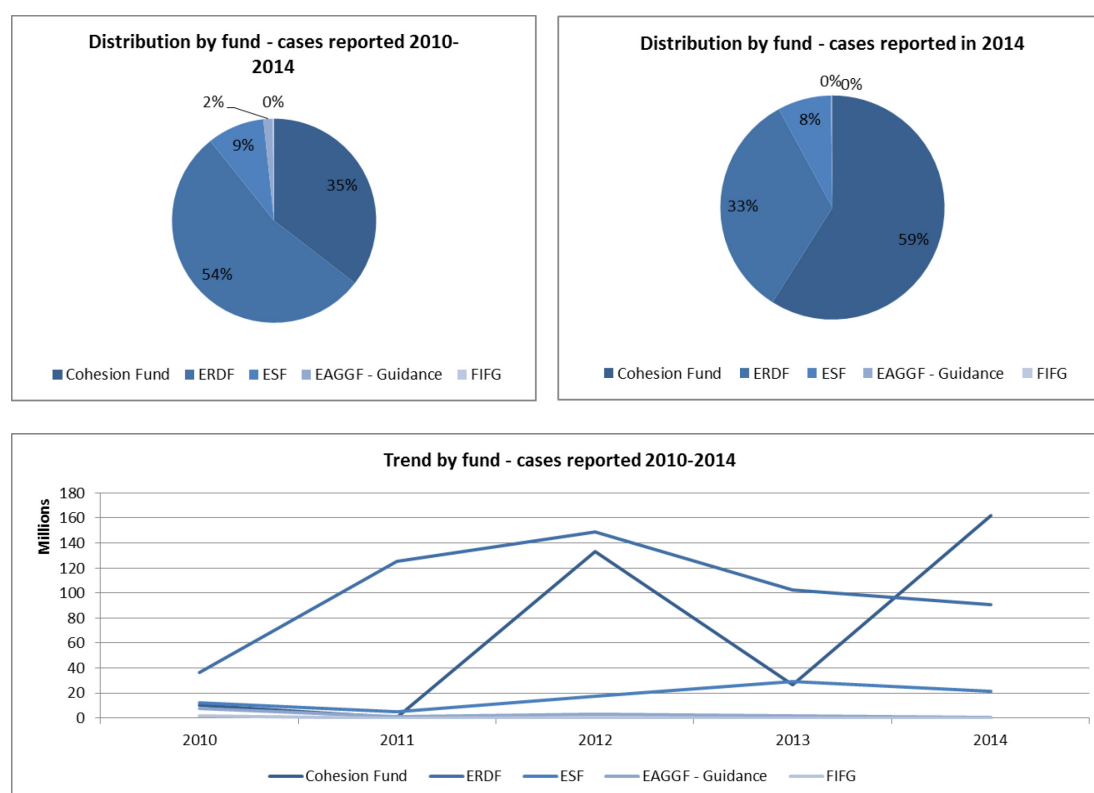
Table CP5 analyses these trends examining the financial amounts linked to the irregularities reported as fraudulent in the reference period.

The analysis of the period under consideration shows an interesting distribution of the amounts involved between the ERDF, Cohesion Fund and ESF, which, to a certain extent resembles the distribution of the resources among the funds, with an underrepresentation of ESF and an overrepresentation of the Cohesion fund. The latter, in particular has been the fund with the highest amounts involved in the last year. As one could expect, similarly to the number of reported fraudulent

irregularities, the EAGGF-Guidance is progressively shrinking, while in the last two years no reported cases concern the FIGG.

Table CP5: trend of financial amounts linked to the irregularities reported as fraudulent between 2010 and 2014 by fund – Cohesion Policy

FUND	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
Cohesion Fund	10 525 386	248 479	133 011 226	26 348 779	161 744 024	331 877 894
ERDF	36 254 267	125 212 779	148 957 468	102 641 166	90 677 547	503 743 227
ESF	11 866 267	5 014 787	17 720 457	28 884 216	21 192 585	84 678 312
EAGGF - Guidance	7 489 790	748 178	2 915 115	2 047 385	601 358	13 801 827
FIFG	1 838 433	27 865	143 085	0	0	2 009 383
TOTAL	67 974 143	131 252 088	302 747 352	159 921 546	274 215 514	936 110 643



5.1.1.3. Trend by objective

Specific to the Cohesion Policy is that programmes and financial resources available to implement them are closely linked to the geographical dimension, that is to say that the objectives that they pursue depend on the region (and its level of economic development) in which they are implemented. For this reason, the analysis by objective is important.

From this point of view, the analysis of irregularities reported as fraudulent in the last five years does not change the trend already highlighted in past reports.

As showed in Table CP6, the fraudulent irregularities detected and reported by Member States mainly concern programmes implemented under the Convergence objective (previously Objective 1), linked to the less economically developed regions in Europe.

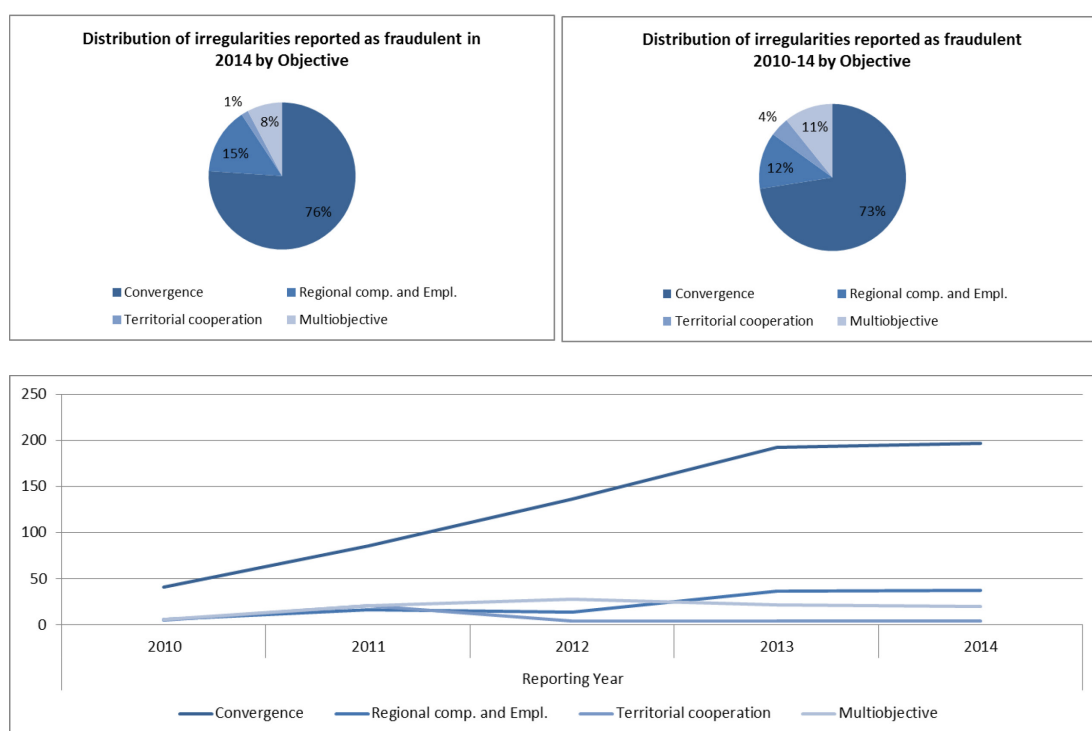
Their notifications have progressed in a linear way until 2013 and their increase has only slowed down in 2014.

Nonetheless, the distribution among the various objectives is remarkably similar to the distribution of the resources among the objectives, at least in relation to the overall situation 2010-2014.

This parallelism is however lost in relation to the distribution of the involved amounts as showed in Table CP7.

Table CP6: trend of irregularities reported as fraudulent between 2010-14 by Objective

Objective	Reporting Year					TOTAL
	2010	2011	2012	2013	2014	
	N	N	N	N	N	N
Convergence	41	86	136	192	197	652
Regional comp. and Empl.	6	17	14	37	38	112
Territorial cooperation	5	21	4	4	4	38
Multiobjective	6	21	28	22	20	97
TOTAL	58	145	182	255	259	899



The analysis by objective presented above is exclusively referred to the programming period 2007-13.

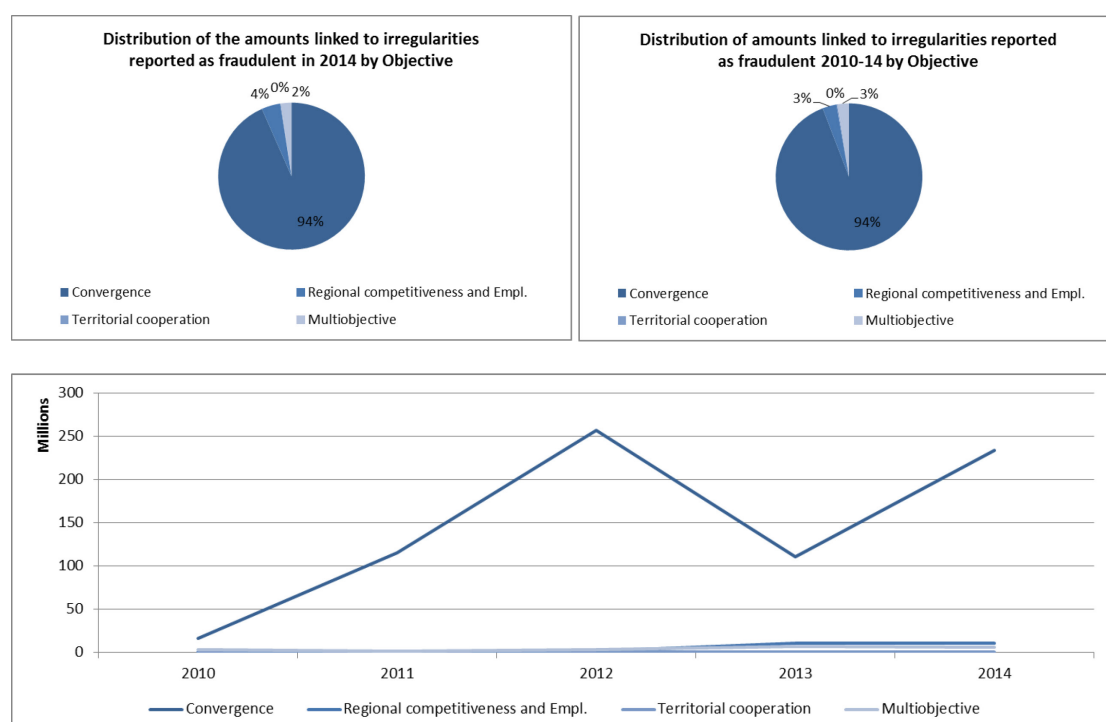
Table CP7 analyses the trend in relation to the reported amounts linked to the irregularities showed in Table CP6.

The Convergence objective shows an absolute predominance in this respect, as it represents about 95% of the total amounts linked to fraudulent irregularities in the reference period.

After the decrease in the involved amounts in 2013, these have been increasing again in 2014.

Table CP7: trend of amounts related to irregularities reported as fraudulent between 2010-14 by Objective

Objective	Reporting Year					TOTAL
	2010	2011	2012	2013	2014	
	EUR	EUR	EUR	EUR	EUR	EUR
Convergence	16 345 293	115 373 497	256 373 096	110 332 949	233 789 650	732 214 484
Regional competitiveness and Empl.	170 639	721 716	1 854 953	11 097 404	10 392 224	24 236 937
Territorial cooperation	52 621	461 971	514 127	299 272	313 997	1 641 987
Multiobjective	3 091 344	1 052 612	2 927 224	6 694 777	5 864 834	19 630 791
TOTAL	19 659 897	117 609 795	261 669 400	128 424 402	250 360 704	777 724 198



The analysis by objective presented above is exclusively referred to the programming period 2007-13.

5.1.2. Irregularities not reported as fraudulent

Table CP8 analyses the trend linked to the communication of the irregularities not reported as fraudulent in the last five years (2010-2014), making a distinction by Fund involved and the relevant programming period.

Data confirm the increasing results of checks performed on the project financed in the framework of the programming period 2007-13 due to its mounting level of implementation and the progressive phasing-out from the actions linked to the previous programming phase.

The level of reporting related to the programming period 2007-13 has already almost reached the levels of reporting that in the previous programming cycle were recorded at closure.

Table CP8: trend of the number of irregularities not reported as fraudulent between 2010 and 2014 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
	N	N	N	N	N	N
Programming Period 2007-13	1 203	2 095	3 118	4 257	4 687	15 360
Cohesion Fund	62	117	241	242	291	953
ERDF	900	1 396	2 097	2 796	3 016	10 205
ESF	241	582	780	1 219	1 380	4 202
Programming Period 2000-06	5 271	1 293	861	450	290	8 165
Cohesion Fund	77	68	79	96	33	353
ERDF	2 569	775	641	305	188	4 478
ESF	1 461	225	41	16	34	1 777
EAGGF - Guidance	1 054	187	91	31	35	1 398
FIFG	110	38	9	2		159
TOTAL	6 474	3 388	3 979	4 707	4 977	23 525

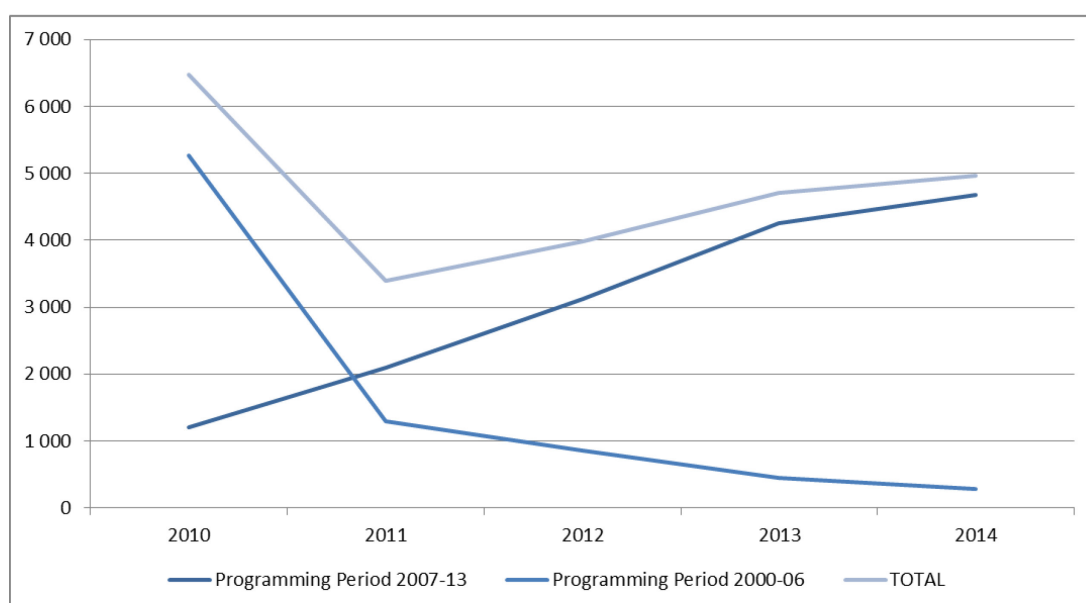
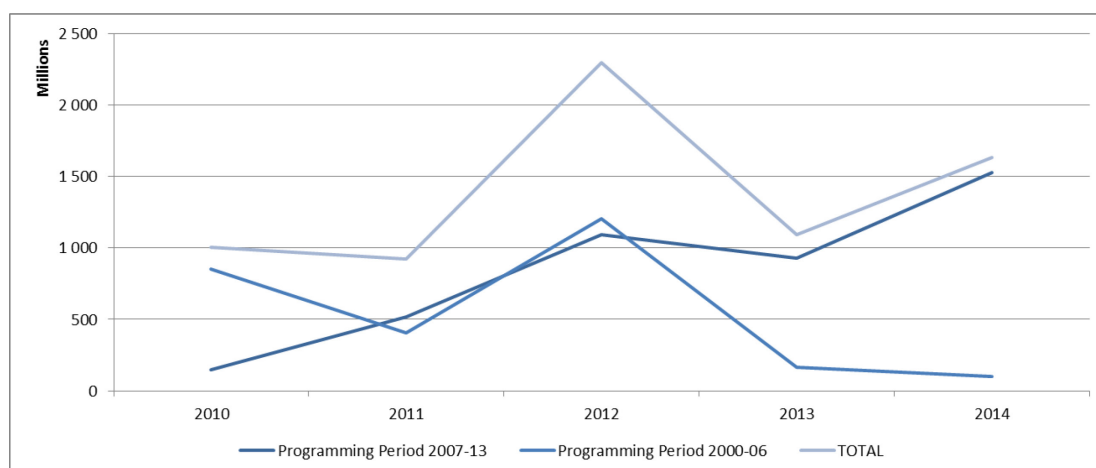


Table CP9 shows the trend related to the amounts linked to the reported non-fraudulent irregularities. Once more, as already mentioned several times in relation to the trends of the financial amounts, fluctuations can happen more often, as they are linked to individual irregularities or group of irregularities of significant value, which produce distortive effects from one year to the other.

Table CP9: trend of financial amounts linked to the irregularities not reported as fraudulent between 2010 and 2014 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2010	2011	2012	2013	2014	
	EUR	EUR	EUR	EUR	EUR	EUR
Programming Period 2007-13	149 406 917	515 320 016	1 095 011 146	929 801 233	1 463 087 618	4 152 626 931
Cohesion Fund	18 539 925	58 087 566	282 704 008	135 981 568	198 201 354	693 514 421
ERDF	118 794 539	394 117 685	718 777 255	706 865 998	1 142 235 806	3 080 791 283
ESF	12 072 453	63 114 766	93 529 883	86 953 667	122 650 458	378 321 227
Programming Period 2000-06	852 783 752	407 103 811	1 201 684 125	163 123 434	98 232 089	2 722 927 212
Cohesion Fund	28 308 164	26 982 403	334 489 374	41 145 995	11 852 580	442 778 516
ERDF	598 365 001	272 790 495	856 146 259	117 710 198	77 721 436	1 922 733 389
ESF	135 481 060	29 132 543	2 719 530	2 830 018	3 759 883	173 923 035
EAGGF - Guidance	75 563 272	70 517 519	7 146 111	1 083 542	4 898 191	159 208 635
FIFG	15 066 254	7 680 850	1 182 851	353 681		24 283 636
TOTAL	1 002 190 669	922 423 828	2 296 695 272	1 092 924 666	1 561 319 707	6 875 554 142



5.2. Specific Analysis – Irregularities reported in relation to the Programming Period 2007-13

5.2.1. Priorities concerned by the irregularities reported as fraudulent

The operational programmes financed by the Cohesion Policy are implemented in relation to the already mentioned objectives, but also along identified Priorities and Themes.

The information provided by Member States allows for an analysis of the priority areas in relation to which Member States have identified projects affected by potentially fraudulent practices.

Table CP10 shows the number of reported fraudulent irregularities per reporting year since the beginning of the programming period 2007-13.

In terms of numbers, the 'Priorities' most concerned were 'Research and Technological Development (RTD)', 'Improving access to employment and sustainability' and 'Improving human capital'.

Table CP10: PP2007-13 - Irregularities reported as fraudulent by Priority

Programming Period 2007-13 Priority	Irregularities reported as fraudulent						
	2009 N	2010 N	2011 N	2012 N	2013 N	2014 N	TOTAL N
Culture				1	1	1	3
Fishery/Technical assistance						3	3
Energy				2	18	2	22
Environmental protection and risk prevention		1	1	6	5	8	21
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	1			7	12	17	37
Improving access to employment and sustainability	20	1	4	19	20	12	76
Improving human capital	1	6	1	9	12	23	52
Information society			5	3	5	4	17
Improving the social inclusion of less-favoured persons		1	2	3	8	8	22
Investment in social infrastructure		1	3	10	12	14	40
Research and technological development (R&TD), innovation and entrepreneurship	3		5	21	47	79	155
Strengthening institutional capacity at national, regional and local level		2		7	2	5	16
Technical assistance		1				1	2
Tourism			1	5	14	14	34
Transport				7	7	9	23
Urban and rural regeneration			1	1	3	4	9
(blank)	24	45	122	81	89	55	416
TOTAL	49	58	145	182	255	259	948
% of (blank) on Total	49.0%	77.6%	84.1%	44.5%	34.9%	21.2%	43.9%

About 44% of the irregularities used for this analysis did not provide information in relation to the priority area concerned, decreasing from 45% of last year. However the sample used for the irregularities reported in 2013 (published in last year's Report) was including only data concerning the two most recent years. Should the same method be applied the result would be 28% with an improvement of over 17 percentage points.

Table CP11 shows the amounts linked to the irregularities reported as fraudulent and their minimum, maximum and average value.

From the amounts point of view, the most significant results concern 'Transport', 'RTD' and 'Investment in Social Infrastructure'. 'Transport' retains also the highest maximum and average values.

Table CP11: PP2007-13 – Amounts involved in irregularities reported as fraudulent by Priority

Programming Period 2007-13		Irregularities reported as fraudulent		
Priority	TOTAL AMOUNT	MINIMUM	AVERAGE	MAXIMUM
	EUR	EUR	EUR	EUR
Culture	1 413 462	19 057	471 154	1 302 036
Fishery/Technical assistance	219 406	29 611	73 135	159 263
Energy	8 749 059	11 959	397 685	2 861 537
Environmental protection and risk prevention	35 478 146	19 462	1 689 436	11 190 348
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	17 152 571	0	463 583	6 256 914
Improving access to employment and sustainability	7 412 960	238	100 175	2 750 164
Improving human capital	7 368 615	456	141 704	3 129 452
Information society	21 377 045	20 931	1 257 473	6 816 883
Improving the social inclusion of less-favoured persons	2 014 195	121	91 554	585 009
Investment in social infrastructure	22 638 180	0	565 955	6 023 705
Research and technological development (R&TD), innovation and entrepreneurship	79 039 331	0	516 597	10 988 341
Strengthening institutional capacity at national, regional and local level	646 029	0	40 377	204 350
Technical assistance	849 205	23 705	424 602	825 499
Tourism	11 453 972	19 723	409 070	2 118 004
Transport	362 055 784	0	15 741 556	120 956 559
Urban and rural regeneration	1 045 700	0	116 189	269 754
(blank)	328 058 242	0	843 337	122 771 103
	906 971 902	0	995 578	122 771 103

5.2.2. *Priorities concerned by the irregularities not reported as fraudulent*

The same analysis showed in paragraph 1.2.1 for the irregularities reported as fraudulent is presented here for the irregularities not reported as fraudulent in relation to the programming period 2007-13.

Table CP12 shows the number of reported fraudulent irregularities per reporting year since the beginning of the programming period 2007-13.

Again, ‘Research and Technological Development (RTD)’ is the priority with the highest number of occurrences, followed by ‘Environmental protection and risk prevention’ and ‘Transport’.

Table CP12: PP2007-13 - Irregularities not reported as fraudulent by Priority

Programming Period 2007-13		Irregularities not reported as fraudulent							
Priority	2008	2009	2010	2011	2012	2013	2014	TOTAL	
	N	N	N	N	N	N	N	N	
Culture			1	11	22	37	59	130	
Aquaculture, inland fishery, processing & marketing of fishery and aquaculture products							1	1	
Fishery / Measures of common interest							7	7	
Sustainable development of fishery areas							3	3	
Fishery / Technical assistance						1	13	14	
Energy				5	36	62	64	167	
Environmental protection and risk prevention			12	58	208	316	320	914	
Increasing the adaptability of workers and firms, enterprises and entrepreneurs			11	29	120	174	227	561	
Improving access to employment and sustainability			11	58	91	245	255	660	
Improving human capital		3	10	32	108	174	248	575	
Information society			1	36	71	103	171	382	
Improving the social inclusion of less-favoured persons			3	10	34	70	98	215	
Investment in social infrastructure			8	68	157	189	244	666	
Mobilisation for reforms in the fields of employment and inclusion				1	3	8	10	22	
Reduction of additional costs hindering the outermost regions development					1	7	4	12	
Research and technological development (R&TD), innovation and entrepreneurship		3	13	83	305	566	685	1 655	
Strengthening institutional capacity at national, regional and local level			4	4	22	38	70	138	
Technical assistance			4	3	45	67	57	176	
Tourism			3	19	89	124	164	399	
Transport			23	109	210	234	296	872	
Urban and rural regeneration			1	14	86	104	182	387	
(blank)	9	116	1 098	1 555	1 510	1 738	1 509	7 535	
TOTAL	9	122	1 203	2 095	3 118	4 257	4 687	15 491	
% of (blank) on Total	100.0%	95.1%	91.3%	74.2%	48.4%	40.8%	32.2%	48.6%	

Also in relation to the irregularities not reported as fraudulent the constant improvement in the completeness of data is confirmed, although to a lesser extent than for the fraudulent irregularities.

Table CP13 shows the amounts linked to the irregularities not reported as fraudulent and their minimum, maximum and average value.

In this case, the category displaying the highest total amount involved and maximum value is that of the irregularities for which no indication has been given as to the priority affected. The highest average amount is linked to the priority 'Transport'.

Table CP13: PP2007-13 – Amounts involved in irregularities not reported as fraudulent by Priority

Priority	Irregularities not reported as fraudulent			
	TOTAL AMOUNT	MINIMUM	AVERAGE	MAXIMUM
	EUR	EUR	EUR	EUR
Culture	12 538 594	1 346	96 451	2 252 914
Aquaculture, inland fishery, processing & marketing of fishery and aquaculture products	40 444	40 444	40 444	40 444
Fishery / Measures of common interest	4 883 707	14 908	697 672	1 848 935
Sustainable development of fishery areas	140 166	21 120	46 722	66 481
Fishery / Technical assistance	6 600 340	16 124	471 453	5 868 839
Energy	39 139 089	0	235 778	13 500 000
Environmental protection and risk prevention	178 784 679	0	195 821	18 203 645
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	35 738 901	0	64 048	2 955 871
Improving access to employment and sustainability	71 816 303	0	108 813	6 158 594
Improving human capital	31 110 029	0	54 388	4 341 361
Information society	105 516 714	0	276 222	42 825 769
Improving the social inclusion of less-favoured persons	10 986 918	63	51 582	2 091 249
Investment in social infrastructure	125 773 916	0	189 991	15 677 510
Mobilisation for reforms in the fields of employment and inclusion	483 772	20	21 990	102 929
Reduction of additional costs hindering the outermost regions development	2 019 932	13 825	168 328	1 237 924
Research and technological development (R&TD), innovation and entrepreneurship	810 724 387	0	490 753	101 350 545
Strengthening institutional capacity at national, regional and local level	12 851 769	0	93 129	1 609 207
Technical assistance	35 078 687	0	200 450	7 805 595
Tourism	53 238 023	0	134 439	4 105 083
Transport	694 813 058	0	799 555	149 375 061
Urban and rural regeneration	51 575 723	1	135 015	8 098 481
(blank)	1 964 703 297	0	268 512	382 279 618
TOTAL	4 248 558 447	0	278 704	382 279 618

5.2.3. *Types of irregularities / modus operandi detected - Irregularities reported as fraudulent*

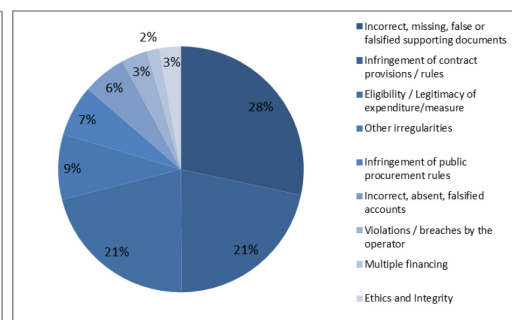
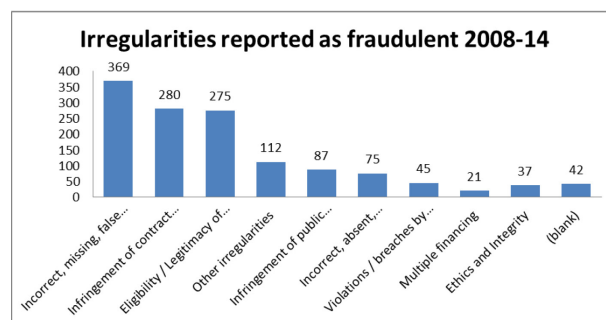
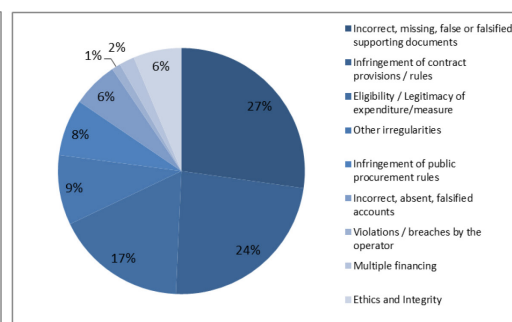
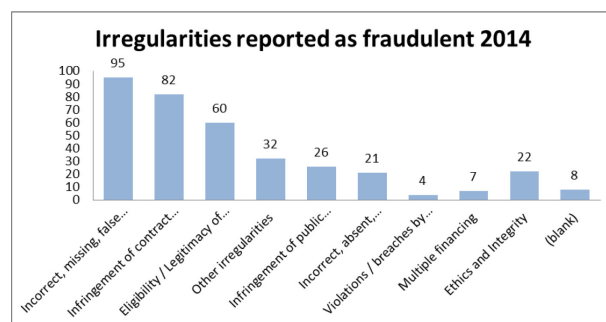
The analysis of the detected practices used in connection with the irregularities reported as fraudulent in 2014 (Table CP14) reveals a consolidation of existing trends. Detected fraudulent attempts mainly happen during the implementation of a project and are made through falsified documents or declarations (in 27% of the cases), or by infringing the commitments entered into (through the signature of the financing contract), which implies that the project is not implemented according to what agreed.

Violation of public procurement rules in connection with irregularities reported as fraudulent have been detected in 9% of the cases in 2014 and 8% of the total number of fraudulent irregularities reported in relation to the programming period 2007-13.

Irregularities concerning ethics and integrity (within which are included possible cases of corruption and conflict of interest) have recorded a significant increase with the 22 cases reported in 2014, considering that, until 2013 included only 15 had been notified to the Commission. The related amounts for this category are particularly significant despite the low number of cases on the total.

Table CP14: Programming Period 2007-13 - Types of irregularity/Modus operandi detected in relation to irregularities reported as fraudulent

Typologies of irregularities	Irregularities reported as fraudulent 2014			Irregularities reported as fraudulent 2008-14		
	N	EUR	EUR/avg	N	EUR	EUR/avg
Incorrect, missing, false or falsified supporting documents	95	136 523 082	1 437 085	369	291 411 233	789 732
Infringement of contract provisions / rules	82	32 172 813	392 351	280	104 747 616	374 099
Eligibility / Legitimacy of expenditure/measure	60	44 835 791	747 263	275	173 389 770	630 508
Other irregularities	32	38 936 680	1 216 771	112	196 161 186	1 751 439
Infringement of public procurement rules	26	6 673 380	256 668	87	102 367 470	1 176 638
Incorrect, absent, falsified accounts	21	1 881 596	89 600	75	23 984 083	319 788
Violations / breaches by the operator	4	124 390	31 098	45	94 782 267	2 106 273
Multiple financing	7	3 663 673	523 382	21	5 455 957	259 807
Ethics and Integrity	22	16 023 179	728 326	37	156 690 195	4 234 870
(blank)	8	3 732 532	466 567	42	19 298 409	459 486



The data population used in this paragraph consists of all irregularities reported as fraudulent in relation to the programming period 2007-13 until the end of 2014.

The row for totals has been omitted in consideration of the fact that to the same irregularity reported may be associated several typologies of infringements and therefore the total sum of value in Table CP14 would result in multiple counting of the same irregularity notification.

The category “Infringement of contract provision / rules” includes all irregularities related to implementation of the contract, *i.e.* irregularities such as ‘action not implemented’, ‘action not completed’, ‘action not carried out in accordance with rules’, ‘Failure to respect other contract provisions/rules’.

The category “Eligibility / Legitimacy of expenditure / measure” refers to all irregularities concerning the eligibility of the project or of the claimed expenditure, such as ‘Not-eligible expenditure’, ‘Expenditure not-legitimate’, ‘Expenditure outside of eligibility period’, but also types of irregularities associated with the request of aid/financing, such as ‘Incorrect request for aid’, ‘Request for aid false or falsified’.

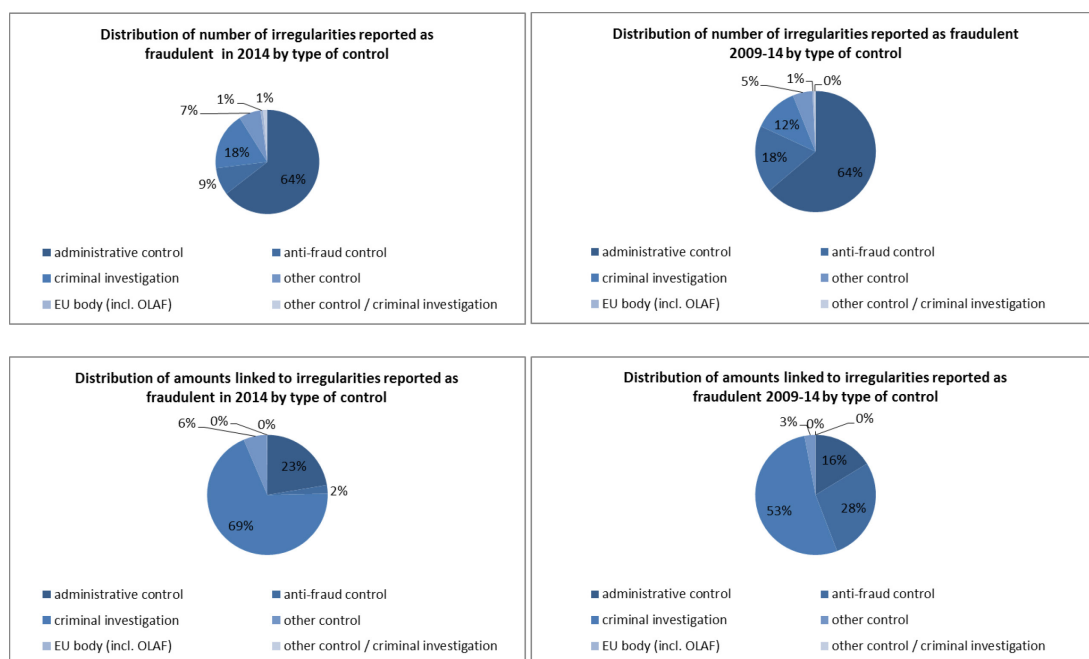
The category “Ethics and Integrity” refers to violations like ‘Conflict of interest’, ‘Bribery – active’, ‘Bribery – passive’, ‘Corruption’, ‘Other irregularities concerning integrity and ethics’.

5.2.4. Type of control / method of detection – Irregularities reported as fraudulent

The analysis of the information concerning the Programming Period 2007-13 shows an important shift in relation to the previous programming period. The number of fraudulent irregularities detected by administrative controls is proportionally significantly higher than what was the case in the previous period, where the administrative verifications, on the spot checks and audit of operations would detect less than 20% of the cases, while in the current period they detect about 64%.

Table CP15: Programming Period 2007-13 - Type of checks having detected the irregularities reported as fraudulent

Programming Period 2007-13	Irregularities reported as fraudulent in 2014		Irregularities reported as fraudulent 2009-14	
	N	EUR	N	EUR
administrative control	151	52 294 687	468	126 303 480
anti-fraud control	20	5 361 229	132	216 667 140
criminal investigation	42	161 173 508	88	410 192 033
other control	16	14 827 999	39	22 847 167
EU body (incl. OLAF)	2	105 962	3	130 876
other control / criminal investigation	3	120 841	3	120 841
Total	234	233 884 226	733	776 261 536



The results of this analysis may be influenced by the accuracy of the information reported by Member States, which may have highlighted the subsequent activity of bodies in charge of the management and control of the funds and neglected the detection activity of the anti-fraud bodies.

Another element to be kept into account is that for 215 cases reported until the end of 2014, it was not possible to determine the type of check.

The number of cases linked to investigations by EU bodies (including OLAF) is not accurate.

5.2.5. *Type of irregularities not reported as fraudulent*

Table CP16 provides an overview of the types of irregularities detected in relation to non-fraudulent irregularities.

It confirms some of the main trends highlighted in previous years, as the infringements most frequently detected (over 38% of the total) and those involving the highest amounts are those concerned with public procurement (over 49% of the total value of the irregularities).

Table CP16: Programming period 2007-13 - types of non-fraudulent irregularities

Typologies of irregularities	Irregularities not reported as fraudulent 2014			Irregularities not reported as fraudulent 2008-14		
	N	EUR	EUR/avg	N	EUR	EUR/avg
Infringement of rules concerned with public procurement	1006	298 071 748	296 294	3837	998 228 366	260 159
Ineligibility / Non-legitimacy of expenditure / measure	805	170 459 033	211 750	3497	399 983 247	114 379
Ineligibility / Non-legitimacy of expenditure / measure & Infringement of rules concerned with public procurement	472	89 977 475	190 630	1361	413 343 937	303 706
Failure to respect other regulations/contract conditions	345	36 068 826	104 547	1025	138 587 800	135 208
(blank)	345	119 064 672	345 115	724	176 353 923	243 583
Other irregularities concerning the right to aid	244	151 086 766	619 208	700	352 483 145	503 547
Missing or incomplete documents	167	21 302 586	127 560	524	49 877 447	95 186
Ineligibility / Non-legitimacy of expenditure / measure & Failure to respect other regulation/contract provisions	28	2 018 910	72 104	182	22 062 476	121 222
Failure to respect deadlines	53	9 325 887	175 960	151	42 418 543	280 918
Failure to respect other regulation/contract provisions & Infringement of rules concerned with public procurement	21	1 123 837	53 516	128	19 069 659	148 982
Missing or incomplete documents & Ineligibility / Non-legitimacy of expenditure / measure	26	5 502 780	211 645	118	11 252 030	95 356
Operator/beneficiary not having the required quality	36	5 038 130	139 948	100	90 993 271	909 933
OTHER TYPOLOGIES	1139	554 046 966	486 433	3143	1 467 369 597	466 869
TOTAL	4 687	1 463 087 618	312 159	15 490	4 182 023 440	269 982

5.3. **Anti-fraud activities by Member States**

Previous paragraphs have examined the trend and main features and characteristics of the irregularities reported as fraudulent.

The present paragraph aims at examining some aspects linked to the anti-fraud activities and results of Member States. Five elements are taken into account:

- (1) the time that runs between the beginning of the fraudulent practice and its detection/establishment by the competent authority and reporting to the Commission (Detection / Reporting Efficiency);
- (2) the number of irregularities reported as fraudulent by each Member State;
- (3) the fraud detection rate (the ratio between the amounts involved in cases reported as fraudulent and the payments occurred in the financial year 2012);
- (4) the fraud prevention rate (the ratio between the amounts involved in cases reported as fraudulent which have been detected before payments were executed);
- (5) the ratio of cases of established fraud on the total number of irregularities reported as fraudulent.

5.3.1. *Duration of irregularities, Detection and Reporting Efficiency*

Of the 5 283 detected irregularities (fraudulent and non-fraudulent) reported by Member States in 2014, 58% involve infringements that have been protracted during a given span of time. For the 306 irregularities reported as fraudulent this percentage is slightly higher at 60%. The remaining part of the datasets refers to irregularities/breaches which consisted of a single act identifiable on a precise date.

Taking into account only those irregularities which have been protracted in time, their average duration is of 56 months (*i.e.* about 4 years and 7 months).

The two subsets (irregularities reported as fraudulent and those not reported as fraudulent) have very similar patterns, the average duration of those reported as fraudulent being 55 months (*i.e.* about 4 and half years) while that of those not reported as fraudulent is 56 months.

Table CP17 shows the average number of months between the moment in which the fraudulent practice begins and when it is detected/established (Detection Efficiency – DetE) and then the average number of months between its establishment and the reporting to the Commission (Reporting Efficiency – RepE). For each of these indicators, the table also shows the maximum and minimum values.

The EU average is about three years and four months (40 months) between the first and the last of those events (DetE + RepE).

The duration of the DetE should not be seen as a sign of inefficiency *per se*. More relevant, in this respect, the RepE, which is about 8 and half months in average.

Table CP17: Cohesion Policy – Detection and Reporting Efficiency

Member State	Irregularities reported between 2010 and 2014								
	DetE			RepE			DetE + RepE		
	months/min	months/avg	months/max	months/min	months/avg	months/max	months/min	months/avg	months/max
HU	0.0	16.1	72.1	0.0	5.0	34.8	2.5	21.0	101.0
EE	0.0	20.1	51.4	0.1	4.8	27.0	2.0	24.9	57.8
GR	0.0	20.5	129.8	0.1	6.7	162.0	0.3	27.3	186.7
LV	0.0	23.5	74.5	0.0	4.3	22.0	2.0	27.8	86.2
CZ	0.0	24.6	91.4	0.0	3.3	48.7	0.0	27.9	93.0
SE	0.6	21.5	59.6	0.6	6.4	13.8	2.2	28.0	60.8
SI	0.0	23.6	53.2	0.0	5.0	14.1	0.0	28.6	59.8
SK	0.0	23.1	101.7	0.3	8.9	63.8	3.3	32.0	105.0
RO	5.5	30.4	68.5	0.0	2.4	17.5	8.2	32.8	73.0
PL	0.0	30.2	98.0	0.0	3.1	85.8	1.3	33.3	110.0
MT	8.7	27.4	66.3	0.1	6.3	16.3	16.2	33.7	69.3
CY	2.7	34.5	108.3	0.2	3.3	9.6	10.2	37.7	108.5
BG	0.0	36.8	84.1	0.0	2.3	26.8	1.0	39.1	84.5
EU	0.0	31.3	153.3	0.0	8.5	195.6	0.0	39.8	215.8
LT	1.4	32.5	114.8	0.0	7.4	45.9	3.7	39.9	116.7
AT	0.0	30.6	85.3	0.0	9.6	43.7	0.5	40.2	103.5
DK	24.9	39.9	50.4	0.5	1.3	2.1	25.3	41.2	52.5
PT	4.5	31.2	95.7	0.3	11.0	74.5	9.2	42.3	110.8
FR	0.1	31.6	88.9	2.3	11.7	47.8	6.0	43.3	107.5
IT	0.0	29.7	153.3	0.0	15.1	109.8	2.2	44.8	173.5
ES	0.0	37.0	101.9	0.0	10.1	78.4	5.3	47.1	130.8
UK	0.0	39.1	122.7	0.0	9.7	97.0	3.7	48.9	133.0
BE	10.8	39.8	130.6	0.3	9.1	35.0	23.3	48.9	130.8
NL	0.0	47.0	84.4	0.0	8.2	71.0	2.2	55.2	107.5
FI	0.0	43.0	127.2	1.7	13.5	56.3	6.2	56.5	130.8
DE	0.0	36.0	126.3	0.0	20.5	195.6	0.3	56.5	215.8
IE	19.2	59.3	128.8	0.3	22.2	129.3	39.5	81.5	155.2
LU									

Luxembourg have reported no sufficient information to calculate the DetE and the RepE.

Table CP18 shows the same information but limited to the irregularities reported as fraudulent between 2010 and 2014.

The overall time gap between the initial moment and reporting (DetE + RepE) is increasing in 2014 in comparison with previously reported information, but this is due to the DetE, as the RepE is slightly decreasing. This is normal as the programming period implementation goes forward and potential fraud is increasingly detected after payment.

The RepE is improving, from 14 months (calculated on the whole period) to 12 months. Eighteen (18) Member States show a RepE lower than the average.

Table CP18: Cohesion Policy – Detection and Reporting Efficiency – Irregularities reported as fraudulent between 2010 and 2014

Member State	Irregularities reported between 2010 and 2014								
	DetE			RepE			DetE + RepE		
	months/min	months/avg	months/max	months/min	months/avg	months/max	months/min	months/avg	months/max
HU	1.9	11.6	58.6	0.9	3.0	10.7	2.8	14.6	60.1
LV	0.4	17.2	51.4	0.1	6.1	50.3	3.2	23.3	60.4
CZ	0.0	20.3	115.9	0.1	3.3	28.2	0.6	23.5	118.5
LT	3.3	19.6	46.8	0.7	4.7	9.1	5.2	24.3	47.5
SE	0.0	23.0	47.5	0.5	6.5	13.8	1.3	29.4	50.7
PL	0.0	25.7	71.6	0.0	4.6	85.8	1.3	30.4	110.0
SK	0.0	21.2	68.7	1.2	9.5	39.6	3.3	30.7	79.1
SI	7.9	26.2	62.7	0.1	4.8	13.5	11.1	31.0	65.1
BG	3.1	29.6	54.4	0.1	2.7	26.4	5.1	32.3	56.8
RO	0.1	26.9	131.6	0.6	5.5	20.5	3.1	32.5	142.5
CY	0.9	28.8	48.5	2.2	7.0	19.5	20.4	35.7	52.0
EE	13.1	34.3	49.6	0.1	1.9	4.8	15.1	36.2	54.4
NL	0.0	35.6	56.5	1.9	3.6	4.7	1.9	39.2	59.6
AT	0.0	36.1	136.2	0.9	4.1	9.8	7.2	40.2	146.1
MT	10.5	30.3	39.2	3.1	10.7	11.3	13.5	41.0	50.5
UK	1.1	28.3	103.2	1.0	13.0	76.9	7.0	41.2	106.5
EU	0.0	33.0	156.5	0.0	12.0	162.0	0.4	43.9	186.7
ES	19.8	46.6	71.1	0.3	6.1	26.1	24.3	52.6	81.8
IT	0.0	43.1	153.3	0.1	15.0	109.8	1.6	58.1	158.2
FR	53.0	53.0	53.0	5.8	5.8	5.8	58.8	58.8	58.8
BE	38.8	58.1	84.6	2.0	3.2	3.7	42.5	61.2	88.2
DE	0.0	40.1	151.5	0.0	21.3	147.3	0.4	61.4	157.5
GR	0.0	55.6	132.2	0.1	14.8	162.0	8.3	70.4	186.7
PT	7.1	58.1	156.5	1.7	15.7	36.1	17.4	73.8	158.3
FI	23.8	66.9	114.3	4.3	24.1	60.6	31.1	91.0	123.2
DK									
IE									
LU									

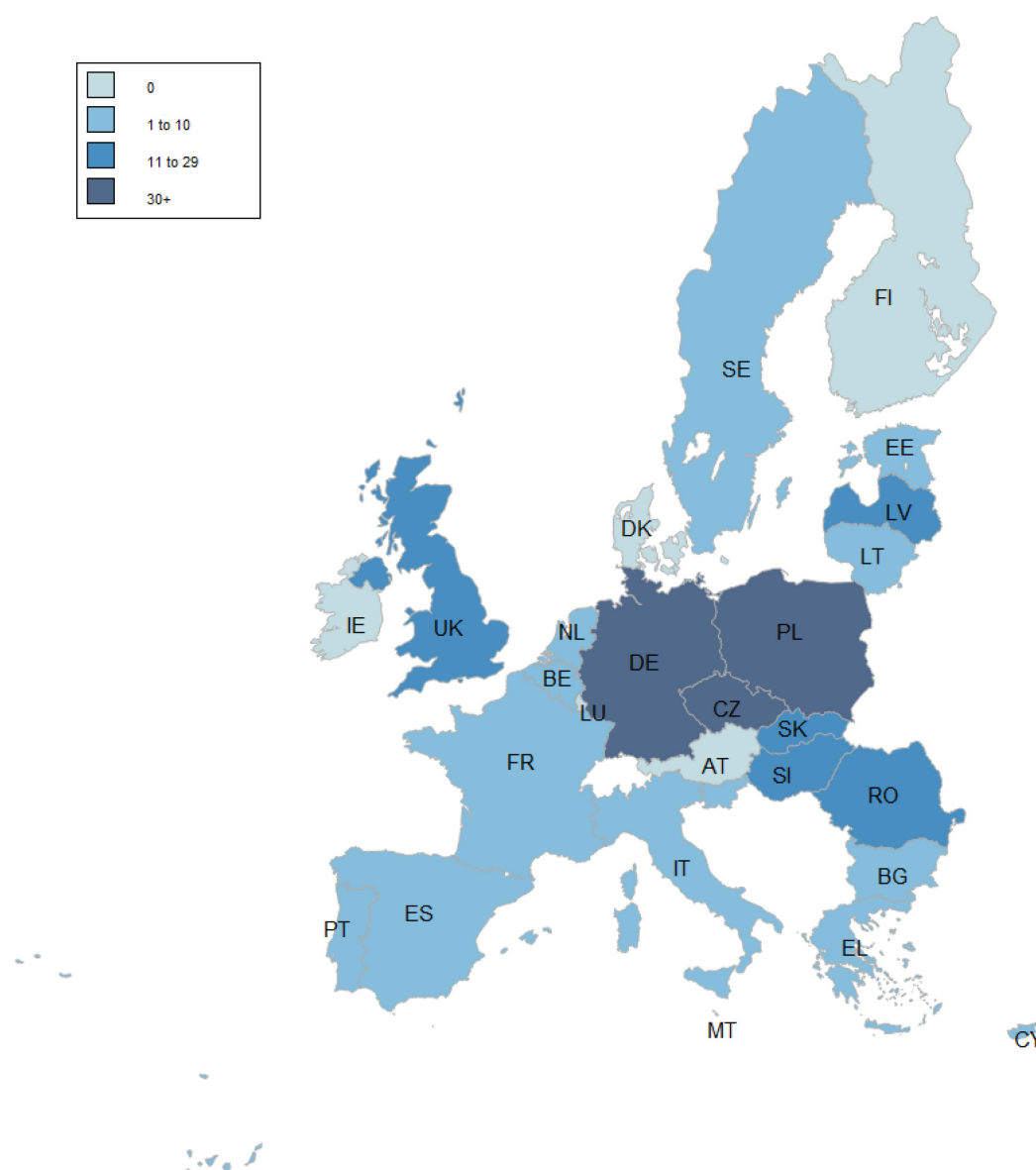
Denmark and Luxembourg have reported no fraudulent irregularities during the period taken into consideration. For Ireland, information provided in relation to reported cases did not allow calculating any average time gap.

5.3.2. *Detection of irregularities reported as fraudulent in 2014 by Member State*

Map CP1 divides Member States in four groups, depending on the number of irregularities reported as fraudulent in 2014:

- (1) Group 1: no irregularities reported as fraudulent irregularities in 2014. 6 Member States belong to this group.
- (2) Group 2: between 1 and 9 such cases reported in 2014. 13 Member States belong to this group;
- (3) Group 3: 10 to 30 irregularities reported as fraudulent. 5 countries are included in this group;
- (4) Group 4: more than 30 cases reported. It counts 3 Member States.

Map CP1: Number of irregularities reported as fraudulent in 2014 by Member State – Cohesion Policy



5.3.3. *Fraud detection rate*

The fraud detection rate compares the results obtained by Member States in their fight against fraud with the payments received by them in a given financial year. This implies that a single case reported as fraudulent and involving a significant financial amount can produce a better result than that achieved by the sum of the financial impact of several irregularities affecting lower amounts. For this reason, this indicator should be read in conjunction with the number of irregularities reported as fraudulent and for this reason they are presented together in Table CP19.

In 2014, the highest fraud detection rates are referred to Belgium, Czech Republic, Estonia, Latvia, Netherlands, Poland, Romania and Slovenia (all above 0.3%).

A second important element is the stock of reported irregularities and involved amounts and their relation to the payments occurred in the reference period.

The highest number of detected fraudulent irregularities for the period 2007-13 originates from Poland, Germany, the Czech Republic, Romania, Latvia and Italy.

The accumulated fraud detection rate (2008-2014) is the highest (>0.3%) for Czech Republic, Italy, Latvia, Poland, Romania and Slovenia.

Table CP19: number of irregularities reported as fraudulent, amounts involved and fraud detection rate by Member State – Programming Period 2007-13

Member State	Irregularities reported as fraudulent in 2014		Payments in 2014	Fraud detection rate - 2014	Irregularities reported as fraudulent 2008-14		Payments 2007-14	Fraud detection rate - 2008-14
	N	EUR	EUR	%	N	EUR	EUR	%
AT			132 268 789	0.00%	6	723 128	940 036 562	0.08%
BE	3	3 230 348	279 761 817	1.15%	5	3 230 348	1 698 091 820	0.19%
BG	3	883 193	1 066 579 296	0.08%	33	9 515 084	4 367 674 727	0.22%
CY	1	126 316	140 763 140	0.09%	5	328 774	516 100 103	0.06%
CZ	36	24 311 201	2 954 118 078	0.82%	95	195 355 124	16 522 453 393	1.18%
DE	37	2 498 913	3 182 120 677	0.08%	160	33 024 731	21 212 343 319	0.16%
DK			134 429 402	0.00%			411 705 142	0.00%
EE	4	1 613 784	376 167 103	0.43%	12	3 220 654	3 142 557 394	0.10%
EL	3	872 237	3 780 334 441	0.02%	24	7 120 200	17 841 673 925	0.04%
ES	4	394 452	3 473 663 438	0.01%	8	538 288	25 199 873 566	0.00%
FI			215 151 243	0.00%	3	189 721	1 423 344 694	0.01%
FR	3	2 648 689	2 210 411 087	0.12%	4	2 846 370	10 331 122 448	0.03%
HU	30	2 111 989	4 232 893 969	0.05%	40	3 286 463	18 992 437 607	0.02%
IE			72 579 561	0.00%	2	15 672	598 596 072	0.00%
IT	4	630 557	3 703 399 757	0.02%	62	78 967 113	17 707 346 746	0.45%
LT	2	283 773	1 013 149 472	0.03%	11	1 375 085	6 350 479 864	0.02%
LU			8 066 891	0.00%			42 315 378	0.00%
LV	27	7 044 371	712 637 780	0.99%	73	32 701 752	3 701 044 407	0.88%
MT			194 056 604	0.00%	14	246 439	616 505 730	0.04%
NL	3	2 105 339	278 671 420	0.76%	4	2 698 123	1 338 567 676	0.20%
PL	44	178 144 925	11 686 981 116	1.52%	180	437 320 751	57 276 812 129	0.76%
PT	1	2 629 333	2 979 445 344	0.09%	13	4 041 657	19 824 390 838	0.02%
RO	25	12 173 753	3 536 806 631	0.34%	87	42 950 303	10 731 293 319	0.40%
SE	2	7 755	344 723 152	0.00%	7	288 213	1 461 638 688	0.02%
SI	7	6 779 604	771 720 057	0.88%	20	24 995 697	3 351 368 379	0.75%
SK	10	1 005 277	852 949 366	0.12%	32	10 981 073	6 902 383 453	0.16%
UK	10	864 894	1 613 785 655	0.05%	48	11 011 139	7 221 946 823	0.15%
TOTAL	259	250 360 704	49 947 635 283	0.50%	948	906 971 902	259 724 104 200	0.35%

5.3.4. Fraud Prevention Rate

The fraud prevention rate (FPR) compares the percentage of the amounts detected before payment with the total amounts related to irregularities reported as fraudulent.

The calculation is performed on the whole stock of irregularities reported as fraudulent in the years from 2008 to 2014 and not exclusively on those reported in 2014.

The FPR can easily result higher in the case of Member States having reported a low number of fraudulent irregularities and therefore should be 'read' and interpreted together with the overall number of irregularities reported as fraudulent and the fraud detection rate, as showed in Table CP20.

The overall FPR is 53%, indicating that almost half of the amounts involved in fraudulent irregularities are detected before payment.

In this respect, the most effective Member States, which satisfy the two conditions of having FPR and FDR above the average are the Czech Republic and Latvia.

Table CP20: number of irregularities reported as fraudulent between 2008 and 2014, amounts involved, irregular amounts paid out and fraud prevention rate by Member State

Member State	Irregularities reported as fraudulent 2008-2014			Fraud prevention Rate	Payments 2007-2014	Fraud detection rate
	Reported N	Involved amounts EUR	Paid amounts EUR			
AT	6	723 128	468 307	35.2%	940 036 562	0.08%
BE	5	3 230 348		100.0%	1 698 091 820	0.19%
BG	33	9 515 084	6 809 567	28.4%	4 367 674 727	0.22%
CY	5	328 774	143 488	56.4%	516 100 103	0.06%
CZ	95	195 355 124	27 676 236	85.8%	16 522 453 393	1.18%
DE	160	33 024 731	19 327 111	41.5%	21 212 343 319	0.16%
DK				#DIV/0!	411 705 142	0.00%
EE	12	3 220 654	1 820 923	43.5%	3 142 557 394	0.10%
EL	24	7 120 200		100.0%	10 331 122 448	0.07%
ES	8	538 288	39 973	92.6%	17 841 673 925	0.00%
FI	3	189 721	189 721	0.0%	25 199 873 566	0.00%
FR	4	2 846 370		100.0%	1 423 344 694	0.20%
HU	40	3 286 463	1 344 515	59.1%	18 992 437 607	0.02%
IE	2	15 672		100.0%	598 596 072	0.00%
IT	62	78 967 113	68 916 887	12.7%	17 707 346 746	0.45%
LT	11	1 375 085	867 931	36.9%	6 350 479 864	0.02%
LU				#DIV/0!	42 315 378	0.00%
LV	73	32 701 752	4 452 066	86.4%	3 701 044 407	0.88%
MT	14	246 439	266 825	-8.3%	616 505 730	0.04%
NL	4	2 698 123	1 376 203		1 338 567 676	0.20%
PL	180	437 320 751	230 754 961	47.2%	57 276 812 129	0.76%
PT	13	4 041 657	3 271 753	19.0%	19 824 390 838	0.02%
RO	87	42 950 303	30 350 080	29.3%	10 731 293 319	0.40%
SE	7	288 213		100.0%	1 461 638 688	0.02%
SI	20	24 995 697	22 153 806	11.4%	3 351 368 379	0.75%
SK	32	10 981 073	576 168	94.8%	6 902 383 453	0.16%
UK	48	11 011 139	6 441 433	41.5%	7 221 946 823	0.15%
TOTAL	948	906 971 902	427 247 953	52.9%	259 724 104 200	0.35%

5.3.5. Ratio of established fraud 2008-2014

Table CP21 shows the ratio between the cases of established fraud and the total number of irregularities reported as fraudulent (including suspected and established fraud) in the period 2009-13. Taking into account only cases reported in 2014 would be meaningless, as the criminal proceedings leading to a conviction for fraud may take several years, while using the period 2010-14 would be misleading as it will be impossible to make a sound comparison with figures published in the 2013 Report. However information concerning the years 2010-14 is published (for reference for future years) in Table CP19.

Table CP21 has been completed with the 'Dismissal ratio', calculated by the differences between the total number of irregularities reported as fraudulent published in the corresponding table in the 2013 Report (TOTAL 2013) and the total calculated taking into account the updates received in 2014. When the ratio is positive, it means that Member States have classified as 'suspected' or 'established fraud' an irregularity appearing as fraudulent in 2013.

In this respect, the average ratio of established fraud at EU level is 10%, decreasing from 11% of 2013. The dismissal ratio is 1%.

Table CP21: number of cases of suspected and established fraud, ratio of established fraud, dismissal ratio – cases reported until 2013

Member State	Suspected fraud	Established fraud	TOTAL	Ratio established fraud	TOTAL 2013	Dismissal ratio
	N	N	N	%	N	%
AT	6		6	0%	6	0%
BE	2		2	0%	2	0%
BG	29	1	30	3%	30	0%
CY	3	1	4	25%	4	0%
CZ	56	3	59	5%	63	-6%
DE	82	41	123	33%	125	-2%
EE	7	1	8	13%	7	14%
ES	4		4	0%	4	0%
FI	3		3	0%	3	0%
FR	1		1	0%	1	0%
GR	18	3	21	14%	22	-5%
HU	10		10	0%	8	25%
IE	2		2	0%	2	0%
IT	58		58	0%	62	-6%
LT	9		9	0%	9	0%
LV	45	1	46	2%	45	2%
MT	14		14	0%	14	0%
NL	1		1	0%		#DIV/0!
PL	126	10	136	7%	140	-3%
PT	12		12	0%	12	0%
RO	62		62	0%	60	3%
SE	5		5	0%	5	0%
SI	7	6	13	46%	13	0%
SK	21	1	22	5%	21	5%
UK	38		38	0%	38	0%
TOTAL	621	68	689	10%	696	-1%

However, this decrease is mainly due to a miscalculation in the previous Report due to incorrect reporting from one Member State (Greece), which had erroneously classified as established fraud almost all the cases reported in 2013.

Table CP22 provides the information concerning the number of cases of suspected and established fraud and ratio of established fraud calculated including also the fraudulent irregularities reported in 2014. It will be used in the coming reports for comparability.

Table CP19: number of cases of suspected and established fraud and ratio of established fraud – cases reported between 2008-2014 in the Cohesion policy

Member States	Suspected fraud	Established fraud	TOTAL	Ratio established fraud
	N	N	N	%
AT	6		6	0%
BE	5		5	0%
BG	32	1	33	3%
CY	4	1	5	20%
CZ	92	3	95	3%
DE	118	42	160	26%
EE	11	1	12	8%
EL	21	3	24	13%
ES	8		8	0%
FI	3		3	0%
FR	4		4	0%
HU	40		40	0%
IE	2		2	0%
IT	61	1	62	2%
LT	11		11	0%
LV	72	1	73	1%
MT	14		14	0%
NL	4		4	0%
PL	169	11	180	6%
PT	13		13	0%
RO	87		87	0%
SE	7		7	0%
SI	12	8	20	40%
SK	30	2	32	6%
UK	48		48	0%
TOTAL	874	74	948	8%

Of the 74 cases of established fraud, 61 (82%) were reported by three Member States: Germany, Poland and Slovenia.

SECTION II - DECENTRALISED MANAGEMENT

The EU as a global player / Pre-Accession Policy

The goal of the EU as a global player is also promoted through direct management. Pre-Accession Assistance (PAA) is provided through decentralised management where third countries distribute funds but account to the EU for how it is spent. In the last stages new member states manage pre-accession funds under shared management to help them complete the transition.

6. PRE-ACCESSION POLICY (PRE-ACCESSION ASSISTANCE AND INSTRUMENT FOR PRE-ACCESSION)

The assistance in pre-accession is provided on the basis of the European Partnerships of the potential candidates and the Accession Partnerships of the candidate countries. The current candidate countries are Croatia, Iceland⁴⁰, the Former Yugoslav Republic of FYROM, Montenegro, Serbia and Turkey. Accession negotiations were opened with Croatia and Turkey in October 2005, and with Iceland in July 2010.

6.1. The Pre-accession Assistance (PAA), 2000-06 and Instrument for Pre-Accession (IPA), 2007-13

The old Pre-accession Assistance (PAA), regarding the period 2000-06, was financed by series of European Union programmes and financial instruments for candidate countries or potential candidate countries, namely the programmes for candidate countries, PHARE, SAPARD and ISPA, Phare Cross-Border Cooperation (CBC) and Coordination, Pre-accession financial assistance for Turkey⁴¹, Assistance for reconstruction, development and stabilisation for potential candidate countries (CARDS)⁴² and Transition facility⁴³. This assistance has nearly been closed except for a few payments in CARDS.

The current Instrument for Pre-Accession Assistance (IPA), which covers the period 2007-2013, is delivered through five components. The policy and programming of IPA consists of Multi-Annual Indicative Financial Framework (MIFF) on a three year basis, established by country, component and a theme, and Multi-Annual Indicative Planning Documents (MIPDs) per country or per groups of countries (regional and horizontal programmes). The Candidate Countries submit also Strategic Coherence Frameworks (SCF) and Multi-annual Operational Programmes, both regarding IPA Components III and IV. Their principal aim is to prepare beneficiary countries for the

⁴⁰ The report reflects situation as of 2012. In June 2013 Iceland's Foreign Minister Gunnar Bragi Sveinsson informed the European Commission that the newly elected government intended to "put negotiations on hold".

⁴¹ Turkey has been receiving pre-accession assistance since 2002.

⁴² Albania, Croatia, FYROM, Serbia, Kosovo under United Nations Security Council Resolution 1244, and Bosnia Herzegovina, Council Regulation (EC) No 2666/2000 of 5 December 2000.

⁴³ The EU-10 that joined European Union in 2004 received a Transition facility during 2004-2006. However the EU-2 received a Transition facility in 2007 which is regarded as a post-accession assistance.

future use of the Cohesion policy instruments by imitating closely its strategic documents, National Strategic Reference Framework (NSRF) and Operational Programmes (OP), and management modes.

The financing of IPA is provided by the five following different components and DG Enlargement leads in the coordination of the instrument:

- (1) Component I, *Transition Assistance and Institution Building (TAIB)*, is managed by the European Commission's Directorate General for Enlargement;
- (2) Component II, *Cross-Border Cooperation*, is managed by the European Commission's Directorate General for Enlargement and part is managed, under shared management with Member States, by European Commission's Directorate General for Regional Policy;
- (3) Component III, *Regional Development*, is managed by the European Commission's Directorate General for Regional Policy;
- (4) Component IV, *Human Resources Development*, is managed by the European Commission's Directorate General for Employment and Social Affairs; and
- (5) Component V - *Rural Development* is managed by the European Commission's Directorate General for Agriculture.

The pre- and post-accession assistance is implemented through a variety of *management modes* which take into account different levels of preparedness of the beneficiary countries. The assistance under IPA is designed also to prepare the beneficiary countries to assume full responsibility for the management of financial assistance granted by the EU.

The eligibility for IPA components differs depending on the state of preparedness. In the use of funds the IPA beneficiary countries are divided into two categories. The EU candidate countries Croatia, the Former Yugoslav Republic of FYROM, Serbia and Turkey are eligible for all five components of IPA. While the new candidate countries, Iceland and Montenegro (candidate status awarded in 2010), currently remain outside the scope of intervention of IPA Component III, the regional development. The Potential candidate countries in the Western Balkans (Albania, Bosnia and Herzegovina, Montenegro and Kosovo under UN Security Council Resolution 1244/99) are eligible only for the first two components.⁴⁴

Implementation of Components I and II falls under the responsibility of DG Enlargement, which initiates the components under a centralised management mode, with a view to transferring implementation management powers to the beneficiary countries as soon as their administrative capacities are considered sufficiently developed to ensure sound financial management. The EU Delegations play a major

⁴⁴

Potential candidate countries were defined at the Santa Maria da Feira European Council of 20 June 2000.

role in the delivery of IPA, in particular under the de-concentrated and decentralised management modes.⁴⁵

The implementation can be handled:

- directly by central management: funds are managed by DG Enlargement at headquarters;
- directly de-concentrated: funds are managed by EU Delegations under the supervision;
- directly centralised: cross-delegated when funds are managed by another service of the Commission through cross sub-delegation;
- indirectly in a centralised indirect management: funds are managed by executive agencies, specialised Community bodies (such as the European Investment Bank or the European Investment Fund) and national or international public-sector bodies or bodies governed by private law with a public-service mission;
- indirectly decentralised with ex ante control: funds are managed by accredited national authorities of the beneficiary country, but procurement is subject to ex ante control by the EC Delegation;
- decentralised without ex ante control: funds are managed by accredited national authorities of the beneficiary country and are not subject to ex ante controls by an EC Delegation;
- joint: funds are jointly managed with International Organisations (EBRD, EIB, Sigma, UN agencies, etc.)

6.2. General analysis – Trend analysis

6.2.1. Trend analysis

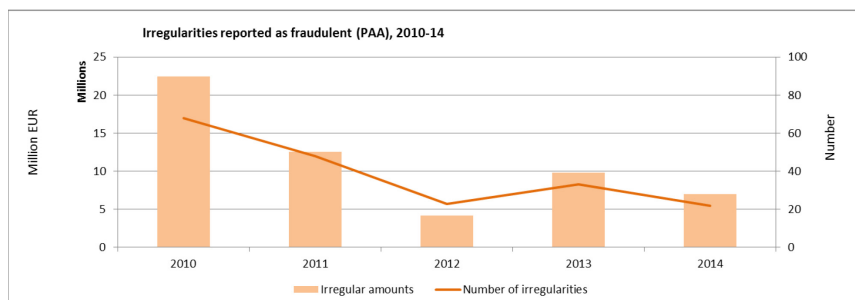
Regarding the Pre-Accession Assistance (PAA), the number of irregularities reported as fraudulent decreased in 2014 compared to the previous year. The downward trend since 2009 is confirmed as Table PA2 and Chart PA1 show.

⁴⁵

Following the entry into force of the Treaty of Lisbon, Delegations have become a part of the European External Action Service, with effect from 1 December 2010.

Table PA1 – Reported irregularities (PAA), 2010-14

Year	Irregularities not reported as fraudulent		Irregularities reported as fraudulent		Total reported irregularities	
	N	EUR	N	EUR	N	EUR
2010	300	24 022 305	68	22 477 440	368	46 499 745
2011	191	38 523 972	48	12 556 670	239	51 080 643
2012	189	43 287 492	23	4 161 709	212	47 449 201
2013	148	45 365 260	33	9 823 355	181	55 188 614
2014	54	6 510 971	22	7 013 788	76	13 524 759
Total	882	157 709 999	194	56 032 963	1 076	213 742 962



For the total number of irregularities (reported as fraudulent and not reported as fraudulent) for the PAA, there were 76 irregularities reported in 2014 and the amount affected EUR 13.5 million (down from 181 and EUR 55.1 million respectively).

In the past five years, most of the irregularities (reported as fraudulent and not reported as fraudulent) and the highest aggregate amount concern first Romania and secondly Bulgaria. In relation to the distribution of irregularities according to funds it can be said that most of the fraudulent irregularities concern SAPARD, however in terms of non-fraudulent irregularities the latter is preceded by ISPA.

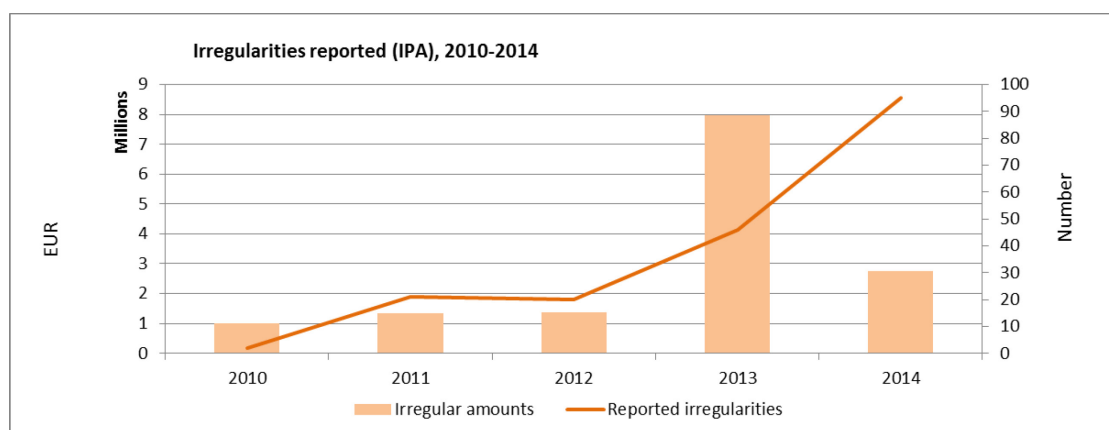
6.2.2. Trend analysis IPA

Generally it can be said that the trend of IPA reporting (financial framework 2007-13) has begun to develop in a stable upward curve which means a continuous increase in the number of irregularities reported and involved amounts since 2010. The increasing trend can be considered within the norm as the reporting of irregularities of IPA has only begun in recent years.

Table PA2 details the underlining data, while Chart PA2 shows the evolution of reporting of all the irregularities (reported and not reported as fraudulent) since 2010.

Table PA2 – Reported irregularities (IPA), 2010-14

Year	Irregularities not reported as fraudulent		Irregularities reported as fraudulent		Total reported irregularities	
	N	EUR	N	EUR	N	EUR
2010	2	992 377			2	992 377
2011	14	397 984	7	943 959	21	1 341 943
2012	14	1 069 552	6	299 240	20	1 368 792
2013	39	6 744 551	7	1 212 352	46	7 956 903
2014	86	2 627 599	9	120 300	95	2 747 899
Total	155	11 832 063	29	2 575 851	184	14 407 914



During the past few years, the highest number of irregularities reported as fraudulent was communicated by Turkey followed by FYROM. The highest fraudulent amounts were recorded in relation to Cross-Border Cooperation and secondly to Transition Assistance and Institution Building. However, Regional Development and Transition Assistance scores the highest in monetary value with regard to irregularities not reported as fraudulent.

6.2.3. Reporting efforts

In general the communications received regarding IPA via IMS are complete and in terms of timeliness the reporting behaviour is satisfactory. Reporting happens, in average, after 3 and half months following detection of an irregularity, which, in general, intervenes after 3 years it is committed.

The level of completeness of the reported information has been improving depending on experience with reporting, but Beneficiary Countries need to better specify and detail information concerning irregular practices, in particular in relation to irregularities reported as fraudulent.

Serbia and FYROM have reported irregular cases in the IMS system during 2013. The information provided by these countries is complete and detailed, moreover the classification of the irregularities is accurate.

Turkey and Croatia have continued the consistent reporting. Croatia increased significantly the number of reported irregularities since its connection to IMS in October 2012.

6.3. Specific analysis – Financial year 2014

6.3.1. Pre-Accession Assistance (PAA)

In 2014 a total number of 22 irregularities were reported as fraudulent with the amount affected of EUR 7.0 million as shown in Table PA3.

Table PA3 – Reported irregularities per country (PAA), 2014

Beneficiary Country	Irregularities not reported as fraudulent		Irregularities reported as fraudulent		Total reported irregularities	
	N	EUR	N	EUR	N	EUR
Bulgaria	24	1 070 294	6	3 836 555	30	4 906 849
Romania	29	5 439 959	16	3 177 233	45	8 617 192
Slovakia	1	718			1	718
Total	54	6 510 971	22	7 013 788	76	13 524 759

These fraudulent irregularities were reported by Bulgaria and Romania. Regarding irregularities not reported as fraudulent, it was Romania communicating the highest number of cases with EUR 8.6 million amounts affected.

Like in the previous years, in 2014 the majority of cases concern again SAPARD, the Special Accession Programme for Agriculture and Rural Development.

With 15 irregular fraudulent cases reported and over EUR 5.6 million involved, the SAPARD fund remains the most affected by fraud among all the PAA funds, followed by PHARE with 7 cases and EUR 1.4 million affected.

Table PA4 – Reported irregularities per fund (PAA), 2014

FUND	Irregularities not reported as fraudulent		Irregularities reported as fraudulent		Total reported irregularities	
	N	EUR	N	EUR	N	EUR
ISPA	2	3 579 662			2	3 579 662
PHARE	23	338 280	7	1 378 907	30	1 717 187
SAPARD	29	2 593 030	15	5 634 881	44	8 227 911
Total	54	6 510 971	22	7 013 788	76	13 524 759

The practices repeatedly employed in committing fraudulent irregularities are mainly ‘falsified supporting documents’ and ‘other irregular documents’, which together represent 41% of the cases and 72%% of the irregular amounts.

With regard to irregularities not reported as fraudulent, the highest irregular amounts have been reported in relation to ISPA fund (EUR 3.6 million), followed by SAPARD (EUR 2.6 million). The most frequent modus operandi are: ‘failure to respect other regulations/contract conditions’ (46% of the cases and 25% of the irregular amounts) and ‘Non-eligible expenditure’ (11% of the cases and 55% of the irregular amounts).

6.3.2. Instrument for Pre-Accession (IPA)

In IPA (2007-13), there were 9 irregularities reported as fraudulent involving EUR 120K irregular amounts. Tables PA5 and PA6 show the breakdown per country and per component respectively.

Table PA5 – Reported irregularities per country (IPA), 2014

Country name	Irregularities not reported as fraudulent		Irregularities reported as fraudulent		Total reported irregularities	
	N	EUR	N	EUR	N	EUR
Bulgaria	21	53 355				
Croatia	27	171 160	1	0	28	171 160
FYROM	5	18 190	2	53 334	7	71 524
Serbia	2	55 060	3	23 385	5	78 445
Turkey	31	2 329 835	3	43 581	34	2 373 416
Total	86	2 627 599	9	120 300	74	2 694 544

In 2014 Turkey was the country reporting the highest number of irregularities and aggregate amounts involved in irregularities. Concerning the 9 irregularities reported as fraudulent, these are spread among four reporting countries.

Table PA6 – Reported irregularities per component (IPA), 2014

IPA COMPONENT	Irregularities not reported as fraudulent		Irregularities reported as fraudulent		Total reported irregularities	
	N	EUR	N	EUR	N	EUR
Cross-Border Cooperation	40	234 803	4	23 385	44	258 189
Human Resources Development	13	492 495			13	492 495
Rural Development	18	938 571	4	63 180	22	1 001 751
Regional Development	3	344 105			3	344 105
Transition Assistance and Institution Building	12	617 625	1	33 735	13	651 360
Total	86	2 627 599	9	120 300	95	2 747 899

The modus operandi for the irregularities reported as fraudulent has been specified only in relation to three cases.

When it comes to other irregularities not reported as fraudulent, the most frequent practice employed are: ‘Infringement of rules concerning public procurement’ (concerns 22 % of the cases and only 4 % of the irregular amounts), ‘Failure to respect other regulations/contract conditions’ (concerns 8 %cases but concerns 29 % of the irregular amounts) and finally ‘Non-eligible expenditure’ (concerns 13 % of the cases and 6 % of the irregular amounts).

6.3.3. Method of detection

In 2014, Regarding PAA, most of the irregularities were detected by EU bodies or on information sent by EU bodies (21% of the cases). Judicial inquiries have been the most frequent method of detection in relation to fraudulent irregularities (41% of the cases and 64% of irregular amounts).

In case of IPA, the low number of occurrences limits the possibilities of a meaningful analysis.

Section III – DIRECT MANAGEMENT

7. DIRECT MANAGEMENT

7.1. Introduction

This chapter contains a descriptive analysis of the data on recovery orders issued by Commission services in relation to expenditures managed under ‘direct management’ mode, which is one of the three implementation modes the Commission can use to implement the budget.

According to the Financial Regulation⁴⁶, ‘direct management’ means that the Commission implements the budget by its departments, including its staff in the Union Delegations under the authority of their respective Head of Delegation, or through executive agencies.

For financial year 2014, a total of EUR 11.9 billion⁴⁷ has been effectively disbursed under the ‘direct management’ mode. Table DM1 presents the actual payments made in financial year 2014 for the eighteen policy areas corresponding to 96.5% of the overall operational payments made under ‘direct management’.

Table DM1 – Payments made in financial year 2014 per policy area

Policy area	Payments 2014	
	EUR million	%
Enterprise	519	4.35
Employment and social affairs	134	1.12
Mobility and transport	642	5.38
Environment and climate action	234	1.96
Research	3 127	26.21
Information society and media	934	7.83
Direct research	115	0.96
Maritime affairs and fisheries	159	1.33
Education and culture	1 136	9.52
Communication	122	1.02
Health and consumer protection	280	2.35
Home Affairs	147	1.23
External relations	156	1.31
Development and relations with ACP States	2 495	20.92
Enlargement	483	4.05
Humanitarian aid	716	6.00
Energy	441	3.70
Justice	88	0.74
TOTAL	11 927	100.00

⁴⁶ The Financial Regulation provides for three types of management, one of them is the centralised management. In accordance with Article 58 (Methods of implementation of the budget) of the Council Regulation (EU, Euratom) No 966/2012 and Commission Delegated Regulation (EU) No 1268/2012.

⁴⁷ Own calculation based on ABAC data for the eighteen policy areas representing 96.5% of operational payments under the direct management mode, excluding administrative expenditure.

7.2. General analysis

In 2014, for the eighteen policy areas, the Commission services registered 1897 recovery items⁴⁸ in ABAC that were qualified as irregularities for a total financial value EUR 100.76 million. Among these recovery items, 83 have been reported as fraudulent, involving EUR 4.67 million irregular amounts.

7.2.1. Five year analysis 2010-2014

As a trend analysis, the comparison between five years, from 2010 to 2014 will be hereunder provided. The below analysis gives an overview of recovery data recorded in the ABAC system. It has to be noted that qualifications attributed to recovery items may change over the years: especially, there are situations when cases of irregularities are turned to suspicions of fraud. As a consequence, no direct conclusion can be drawn with regard to the general evolution of irregularities, nor predictions can be made on future trends.

From a purely statistical point of view, it can be said that between 2010 and 2013, the number and related financial value of ‘irregularities reported as fraudulent’⁴⁹ have steadily decreased. However, in 2014 there was a sudden increase both in terms of number and related financial value of the ‘irregularities reported as fraudulent’. At the same time, we can experience a steady increase of number of ‘irregularities not reported as fraudulent’ and associated financial amounts over the past five years.

Table DM2 and DM3 summarise these figures for irregularities during the five-year term.

Table DM2 – Irregularities reported as fraudulent and related amounts, financial years 2010-2014

Year	Payments	Irregularities reported as fraudulent		Irregular amounts/ Payments
	EUR million	EUR million	N	%
2010	13 590	7.12	39	0.05
2011	13 693	1.83	35	0.01
2012	14 021	2.76	29	0.02
2013	14 565	2.59	22	0.02
2014	11 927	4.67	83	0.04
TOTAL	67 795	18.97	208	0.03

⁴⁸ Recovery items mean recovery context elements in ABAC.

⁴⁹ ‘Irregularities reported as fraudulent’ are cases of recovery items qualified in the ABAC system as ‘OLAF notified’.

Table DM3 – Irregularities not reported as fraudulent and related amounts, financial years 2010-2014

Year	Payments	Irregularities not reported as fraudulent		Irregular amounts / Payments
	EUR million	EUR million	N	%
2010	13 590	48.08	1 089	0.35
2011	13 693	55.76	1 137	0.41
2012	14 021	68.33	1 409	0.49
2013	14 565	77.38	1 513	0.53
2014	11 927	96.09	1 814	0.81
TOTAL	67 795	345.64	6 962	0.51

As far as ‘irregularities reported as fraudulent’ are concerned, the fraud detection rate over the five year period is close to zero (0.03%).

At the same time, there were almost seven thousand registered recovery items qualified as ‘irregularities not reported as fraudulent’ with a total recovery amount of EUR 345.64 million.

The aggregate irregular amounts, when compared to the reference figure of the total operational payments of the five financial years (EUR 67 795 million), gives the overall irregularity detection rate of around half a percent (0.54%).

The registered irregularity figures demonstrate the efficient irregularity detection and reporting systems in place.

7.3. Specific analysis

7.3.1. Recoveries according policy areas

Table DM4 provides a picture of irregularity statistics with a breakdown of the policy areas for year 2014.

Table DM4 – Irregularities reported by policy areas and related amounts, 2014

Policy area	Payments 2014	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR million	EUR million	N	EUR million	N
Enterprise	519	1.47	32	1.09	6
Employment and social affairs	134	0.38	14	0.00	0
Mobility and transport	642	18.49	58	0.00	0
Environment and climate action	234	2.73	29	0.12	2
Research	3 127	12.46	460	0.99	36
Information society and media	934	22.00	312	0.30	2
Direct research	115	0.02	1	0.00	0
Maritime affairs and fisheries	159	1.03	12	0.00	0
Education and culture	1 136	5.80	356	1.69	29
Communication	122	0.04	5	0.00	0
Health and consumer protection	280	0.00	2	0.00	0
Home Affairs	147	1.04	38	0.00	0
External relations	156	2.81	109	0.05	3
Development and relations with ACP States	2 495	8.13	131	0.44	5
Enlargement	483	2.40	73	0.00	0
Humanitarian aid	716	1.70	155	0.00	0
Energy	441	15.30	18	0.00	0
Justice	88	0.29	9	0.00	0
TOTAL	11 927	96.09	1 814	4.67	83

In financial year 2014, the highest numbers of 'irregularities reported as fraudulent' were recorded in the 'Research' budget area, followed by 'Education and Culture'. However, in terms of irregular amounts related to these irregularities, the policy field 'Education and Culture' scored with EUR 1.69 million, which is closely followed by budget areas 'Enterprise' (EUR 1.09 million) and 'Research' (EUR 0.99 million). These three policy areas account for 80% of fraudulent amounts recovered.

Regarding 'irregularities not reported as fraudulent', most of the irregularities were registered in the area of 'Research' followed by 'Education and Culture' and 'Information society and media'. In terms of irregular amounts related to these irregularities, the policy field 'Information society and media' recorded the highest irregular amounts (EUR 22.00 million), followed by 'Mobility and transport' (EUR 18.49 million), 'Enterprise' (EUR 15.30 million) and 'Research' (EUR 12.46 million). These four policy areas account for 71% of the non-fraudulent amounts recovered in 2014.

The five year perspective is presented by table DM5

Table DM5 – Irregularities reported by policy areas and related amounts, financial years 2010-2014

Policy area	Payments	Irregularities not reported as fraudulent	Irregular amounts/ Payments	Irregularities reported as fraudulent	Irregular amounts/ Payments
	EUR million	EUR million	%	EUR million	%
Enterprise	2 679	8.79	0.33	1.29	0.05
Employment and social affairs	705	1.24	0.18	0.48	0.07
Mobility and transport	4 749	45.52	0.96	0.03	0.00
Environment and climate action	1237	9.68	0.78	0.67	0.05
Research	20 374	55.00	0.27	1.46	0.01
Information society and media	6 721	81.42	1.21	2.95	0.04
Direct research	502	0.09	0.02	0.00	0.00
Maritime affairs and fisheries	1 108	3.66	0.33	0.00	0.00
Education and culture	5 060	21.79	0.43	2.01	0.04
Communication	538	0.34	0.06	0.14	0.03
Health and consumer protection	1 737	0.11	0.01	0.00	0.00
Home Affairs	1 194	21.42	1.79	0.00	0.00
External relations	7 576	35.72	0.47	7.16	0.09
Development and relations with ACP States	5 678	23.08	0.41	2.18	0.04
Enlargement	2 605	7.41	0.28	0.53	0.02
Humanitarian aid	2 984	4.25	0.14	0.01	0.00
Energy	2 011	25.04	1.25	0.04	0.00
Justice	338	1.08	0.32	0.00	0.00
TOTAL	67 795	345.64	0.51	18.97	0.03

The above table demonstrates that 'External relations' policy field recorded the highest aggregate recovery amounts (EUR 7.16 million) in relation to 'irregularities reported as fraudulent'. At the same time, this policy field has the highest fraud detection rate (0.09%) over a five-year period. The second largest aggregate fraudulent amounts were recovered in the fields of 'Information society and media' (EUR 2.95 million), followed by 'Development and relations with ACP States' (EUR 2.18 million) and 'Education and culture' (EUR 2.01 million). These four policy areas account for 75% of the total recovery amounts related to 'irregularities reported as fraudulent' over the past five years.

Regarding 'irregularities not reported as fraudulent', policy area 'Information society and media' recorded the highest aggregate recovery amounts (EUR 81.42 million) between 2010 and 2014. It is followed by 'Research' (EUR 55.00 million), 'Mobility and transport' (EUR 45.52 million) and 'External relations' (EUR 35.72 million). These four policy areas account for 62% of the total recovery amounts related to 'irregularities not reported as fraudulent' over the past five years.

It can also be said that some policy areas registered increasing irregular amounts over the five years. These are notably the following: 'Enterprise', 'Mobility and transport', 'Research', 'Information society and media', 'Education and culture', 'Development and relations with ACP States', 'Humanitarian aid' and 'Energy'. On the other hand, decreasing trend can be observed in the following policy fields: 'Home affairs' and 'External relations'. The remaining eight policy areas had fluctuating irregular amounts over the past five years.

7.3.2. Recoveries according to legal entity residence

The legal entity was resident in one of the 28 Member States of the European Union in 88.7% of the total number of irregular cases (reported as fraudulent and not

reported as fraudulent together) between 2010 and 2014. It should be noted however, that the residence of the legal entity is not necessarily the same as that of the main beneficiary.

Table DM6 – Recoveries per country of residence of the legal entity, 2010-2014

LE Country name	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Belgium	15 832 853	635	1 256 556	16
Bulgaria	7 570 523	45	35 779	1
Czech Republic	5 000 802	68	149 786	2
Denmark	3 453 830	95	279 643	7
Germany	29 100 750	612	428 875	5
Estonia	340 959	23		
Ireland	4 032 516	67	309 378	6
Greece	15 534 469	322	1 244 138	7
Spain	17 702 476	434	1 862 207	34
France	46 031 273	874	988 847	6
Italy	44 372 085	757	4 293 319	54
Cyprus	4 085 205	53	208 415	4
Latvia	126 381	21		
Lithuania	894 171	35		
Luxembourg	1 852 891	42		
Croatia	318 667	19	755 003	4
Hungary	3 365 059	106	341 547	12
Malta	1 785 679	39		
Netherlands	22 331 230	471	650 861	5
Austria	7 592 488	174		
Poland	1 926 745	64		
Portugal	9 018 347	120	270 655	6
Romania	10 215 881	81	758	1
Slovenia	1 323 269	32		
Slovakia	1 407 267	21	128 616	1
Finland	2 745 269	86		
Sweden	17 089 708	176	175 199	3
United Kingdom	29 312 927	701	1 688 019	14
Total EU	297 550 250	6 173	15 067 601	188
<i>Total non-EU</i>	<i>48 091 005</i>	<i>789</i>	<i>3 899 896</i>	<i>20</i>
TOTAL	345 641 256	6 962	18 967 497	208

Table DM6 above summarises the total recoveries made in the past five years according to the legal entity country to which the payment was unduly disbursed. EU Member States are listed; other countries are grouped under the ‘non-EU’ category.

7.3.3. *Method of detection*

For each recovery item, the Commission service that issues the order has to indicate how the irregularity has been detected. Six different categories have been pre-defined, two of which fall under the direct responsibility of the European Commission: On-the-spot checks and the verification of documents by desk officers and financial officers responsible for the implementation of the commitment. Table DM7 gives a breakdown of the recoveries by source of detection and by qualification in 2014.

Table DM7 – Irregularities reported by source of detection and by qualification, 2014

Source of detection	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Community control / Check on the spot	44 369 799	747	2 148 941	43
Community control / Desk check documents	30 135 773	601	31 291	1
Control by national authorities	371 262	4	0	0
European Court of Auditors	591 305	8	0	0
Independent control	10 454 717	355	167 014	5
OLAF	398 873	3	2 102 527	33
Other and N.A.	9 751 769	95	220 142	1
TOTAL	96 073 498	1 813	4 669 915	83

Regarding the ‘irregularities reported as fraudulent’, ‘OLAF’ has been marked as the source of detection in relation to 33 recovery items in 2014; meanwhile ‘Community control / Check on the spot’ was the source of detection of 43 recovery items. There are over EUR 4 million recovery amounts (91% of total amounts) associated to these two sources of detection.

The vast majority of the cases ‘irregularities not reported as fraudulent’ were detected through ‘Community controls’ (on-the-spot checks and desk checks of documents). There is an increasing tendency over the past five years: every year there is an increasing number of cases detected due to the effective *ex-ante* and *ex-post* ‘Community controls’. In 2014 alone, 77.6% of recoveries that were qualified as ‘irregularities not reported as fraudulent’ were detected by ‘Community controls’ involving 74.4% of total related irregular amounts.

7.3.4. Types of error

The Commission services also have to indicate the type of error in the recovery context for the respective irregularity in question. Several types of error can be attributed to one irregular case. Largely it can be observed that error ‘Action not in accordance with the rules’ and error ‘Expenditure not covered by the legal base’ appear most frequently every year, (reported as fraudulent or not) during the past five years. Besides, regarding ‘irregularities reported as fraudulent’, error type ‘Falsified documents’ appears to be the most frequent error type associated to recoveries.

7.3.5. Time delay

For the recoveries qualified as irregularities (both reported as fraudulent and not reported as fraudulent) issued between 2010 and 2014, the average delay between the occurrence of the irregularity and its detection is 3.27 years. It should be noted however, that the average time delay is lower for ‘irregularities reported as fraudulent’ (2.82 years) than for ‘irregularities not reported as fraudulent’ (3.28 years).

7.3.6. Recovery

This paragraph describes the payments made to the Commission further to the issuing of the recovery orders. Once a recovery order is issued, the beneficiary is requested to

pay back the amount unduly received or the amount is offset from remaining payments for the beneficiary.

For the recovery orders issued in 2014, 57.1% of the total irregular amounts have already been recovered. This means that an amount of EUR 43.33 million (out of EUR 100.76 million) has already been cashed. Yet there are differences between the recovery rates for irregularities reported as fraudulent and those not reported as fraudulent. The recovery rate for 'irregularities reported as fraudulent' remains below the recovery rate for 'irregularities not reported as fraudulent'. When looking at the five year period, the recovery rate for 'irregularities reported as fraudulent' is 41.8%, meanwhile for 'irregularities not reported as fraudulent' it is higher, 59.6%.

COUNTRY FACTSHEETS

Belgium

1. Traditional Own Resources

Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	26	13 328 963	121	6 205 170	0.93%

2. Natural Resources - Financial Year 2014

Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk	
		EUR	%	EUR	
EAGF	agricultural markets	53 302 546		180 414	
EAGF	direct aids	552 532 180	0.08%	478 007	
EAFRD	rural development	16 628 109	3.10%	687 376	
EFF	fisheries	274 079	1.56%	0	
TOTAL		622 736 914			

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	390 000	6	95 816	0.06%	0.02%
EAGF/EAFRD			3	51 479	N/A	N/A
EAFRD			1	10 804	0.00%	0.06%
EFF					0.00%	
TOTAL	1	390 000	10	158 098	0.06%	0.03%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	29	17	47

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	7	2	9	22%

3. Cohesion Policy

Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF		221 290 009	987 029 998	869 205 063	1.49%	1.01%
ESF		58 471 808	1 073 217 594	828 886 757	3.20%	0.90%
TOTAL	0	279 761 817	2 060 247 592	1 698 091 820		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2013	3	3 230 348	85	11 621 149	1.15%	4.15%
ERDF	2	100 896	22	1 549 970	0.05%	0.70%
ESF	1	3 129 452	63	10 071 179	5.35%	17.22%
Programming Period 2007-13 - cumulative	5	3 230 348	243	18 119 988	0.19%	1.07%
ERDF	3	100 896	85	3 285 792	0.01%	0.38%
ESF	2	3 129 452	158	14 834 196	0.38%	1.79%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	58	3	61

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	5		5	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
	0 -		1 -		16 -	-	0	17

Bulgaria

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	25	10 549 202	4	185 274	14.20%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	23 450 992		158 826
EAGF	direct aids	578 641 269	0.64%	3 682 176
EAFRD	rural development	393 750 627	9.59%	37 773 967
EFF	fisheries	9 986 093	1.24%	165 769
TOTAL		1 005 828 981		

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	30 283	2	1 164 002	0.01%	0.19%
EAGF/EAFRD	7	156 670			N/A	
EAFRD	2	319 514	6	1 171 207	0.08%	0.30%
EFF	5	772 584	7	328 650	7.74%	3.29%
TOTAL	16	1 279 051	15	2 663 859	0.13%	0.26%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	9	17	26

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	135	58	193	30%

3. Cohesion Policy						
Programming period 2007-13 Fund	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF		427 816 742	3 132 249 585	2 073 198 105		
Cohesion Fund		350 480 735	2 283 036 165	1 324 947 823	4.00%	0.87%
ESF		288 281 819	1 179 738 062	969 528 800	1.20%	0.40%
TOTAL	0	1 066 579 296	6 595 023 812	4 367 674 727		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	3	883 193	177	28 709 867	0.08%	2.69%
ERDF	2	844 525	113	18 411 523	0.20%	4.30%
Cohesion Fund			52	8 097 141	0.00%	2.31%
ESF	1	38 667	12	2 201 203	0.01%	0.76%
Programming Period 2007-13 cumulative	33	9 515 084	401	51 020 110	0.22%	1.17%
ERDF	10	1 534 850	237	30 038 136	0.07%	1.45%
Cohesion Fund	3	6 520 453	106	15 897 893	0.49%	1.20%
ESF	20	1 459 780	58	5 084 081	0.15%	0.52%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	30	3	32

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	32	1	33	3%

4. Financial Corrections and recoveries								
Breakdown-down of 2013 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	-	29	24	0	8	-	-	61

Czech Republic

1. Traditional Own Resources

Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	0	-	83	11 557 085	4.38%

2. Natural Resources - Financial Year 2014

Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	14 130 899		342 452
EAGF	direct aids	878 678 596	1.21%	10 588 835
EAFRD	rural development	283 248 060	1.76%	4 994 786
EFF	fisheries	0	0.00%	300
TOTAL		1 176 057 555		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	13 291	4	431 854	0.001%	0.05%
EAFRD	2	260 298	44	2 174 763	0.09%	0.77%
EFF			2	11 744		#DIV/0!
TOTAL	4	273 589	50	2 618 361	0.02%	0.22%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	17	5	22

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	28		28	0%

3. Cohesion Policy

Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF		1 745 470 320	13 810 398 956	8 726 088 736	2.46%	0.59%
Cohesion Fund		899 946 866	8 644 776 707	5 347 329 714		
ESF		308 700 892	3 672 830 866	2 449 034 942	2.60%	1.20%
TOTAL	0	2 954 118 078	26 128 006 529	16 522 453 393		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	36	24 311 201	973	288 549 544	0.82%	9.77%
ERDF	25	16 612 232	520	251 247 280	0.95%	14.39%
Cohesion Fund	6	4 234 354	60	10 614 709	0.47%	1.18%
ESF	5	3 464 615	393	26 687 555	1.12%	8.65%
Programming Period 2007-13 cumulative	95	195 355 124	2 639	1 149 390 225	1.18%	6.96%
ERDF	58	169 366 981	1 343	982 543 272	1.94%	11.26%
Cohesion Fund	12	22 074 763	189	69 701 758	0.41%	1.30%
ESF	25	3 913 380	1 107	97 145 196	0.16%	3.97%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	20	3	24

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	92	3	95	3%

4. Financial Corrections and recoveries

Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	0	52	3	9	-	-	-	65

Denmark

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	2	695 560	68	4 647 124	1.36%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	9 114 473		780 915
EAGF	direct aids	916 928 453	0.81%	7 424 362
EAFRD	rural development	83 307 265	5.69%	4 742 561
EFF	fisheries	703 841	0.39%	1 971
TOTAL		1 010 054 032		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	3	50 349	13	369 485	0.01%	0.04%
EAFRD			11	192 499		0.23%
EFF						0.00%
TOTAL	3	50 349	24	561 984	0.00%	0.06%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	14	20	35

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	121		121	0%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
Fund	EUR	EUR	EUR	EUR	%	%
ERDF		76 313 302	254 788 620	205 723 207	0.38%	0.90%
ESF		58 116 099	254 788 619	205 981 935	0.20%	0.40%
TOTAL	0	134 429 402	509 577 239	411 705 142		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	7	377 068	0.00%	0.28%
ERDF			4	248 443		0.33%
ESF			3	128 624		0.22%
Programming Period 2007-13 cumulative	0	0	17	584 238	0.00%	0.14%
ERDF			8	306 836		0.15%
ESF			9	277 401		0.13%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	0	0	0	N/A

4. Financial Corrections and recoveries							
Breakdown-down of 2014 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other
8	0	-	-	-	1	-	9

Germany

1. Traditional Own Resources

Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	125	6 197 315	1 338	72 120 974	1.77%

2. Natural Resources - Financial Year 2014

Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	95 869 557		298 649
EAGF	direct aids	5 101 255 642	0.31%	15 559 116
EAFRD	rural development	917 307 316	2.09%	19 525 561
EFF	fisheries	11 800 458	1.66%	682 066
TOTAL		6 126 232 973		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	4	82 170	22	1 735 685	0.00%	0.03%
EAFRD	2	64 661	40	1 330 331	0.01%	0.15%
EFF			1	14 120	0.00%	0.12%
TOTAL	6	146 831	63	3 080 136	0.00%	0.05%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	36	20	55

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	19	3	22	14%

3. Cohesion Policy

Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF		2 109 052 083	16 100 401 708	13 231 399 380	1.19%	0.82%
ESF		1 073 068 594	9 357 643 955	7 980 943 938	1.60%	0.90%
TOTAL	0	3 182 120 677	25 458 045 662	21 212 343 319		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	37	2 498 913	248	17 154 591	0.08%	0.54%
ERDF	13	1 747 894	196	14 965 365	0.08%	0.71%
ESF	24	751 020	52	2 189 226	0.07%	0.20%
Programming Period 2007-13 cumulative	160	33 024 731	677	55 063 391	0.16%	0.26%
ERDF	33	18 303 580	469	46 377 179	0.14%	0.35%
ESF	127	14 721 151	208	8 686 212	0.18%	0.11%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	40	21	61

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	118	42	160	26%

4. Financial Corrections and recoveries

Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	3	14	-	3	7	2	-	28

Estonia

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	2	108 304	6	140 863	0.84%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	1 244 577		6 805
EAGF	direct aids	99 062 701	0.50%	493 034
EAFRD	rural development	62 135 652	1.28%	793 019
EFF	fisheries	15 434 670	0.64%	103 412
TOTAL		177 877 600		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						
EAFRD	4	1 053 243	48	1 498 065	1.70%	2.41%
EFF			9	191 886		1.24%
TOTAL	4	1 053 243	57	1 689 951	0.59%	0.95%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	20	5	25

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	24	1	25	4%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF		211 801 666	1 860 211 106	1 680 952 178	0.09%	0.74%
Cohesion Fund		144 386 698	1 151 731 446	1 089 663 754		
ESF		19 978 739	391 517 329	371 941 463	0.10%	0.70%
TOTAL	0	376 167 103	3 403 459 881	3 142 557 394		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	4	1 613 784	52	8 271 257	0.43%	2.20%
ERDF	2	324 994	34	6 324 666	0.15%	2.99%
Cohesion Fund	1	1 256 834	7	1 796 519	0.87%	1.24%
ESF	1	31 956	11	150 073	0.16%	0.75%
Programming Period 2007-13 cumulative	12	3 220 654	261	40 743 690	0.10%	1.30%
ERDF	6	872 718	209	37 338 355	0.05%	2.22%
Cohesion Fund	4	2 268 056	14	2 419 936	0.21%	0.22%
ESF	2	79 880	38	985 399	0.02%	0.26%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	34	2	36

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	11	1	12	8%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	-	0	1	-	-	-	-	1

Ireland

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	4	2 249 080	24	2 067 028	1.44%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	6 743 969		43 333
EAGF	direct aids	1 227 716 757	2.50%	30 728 509
EAFRD	rural development	0	6.73%	0
EFF	fisheries	0	0.00%	0
TOTAL		1 234 460 726		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			75	1 555 065		0.13%
EAFRD	33	388 420	25	1 546 013	#DIV/0!	#DIV/0!
EFF						
TOTAL	33	388 420	100	3 101 078	0.03%	0.25%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE	
	months/average	months/average	months/average	
Reporting period 2010-14	17	11	28	
Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	34	3	37	8%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF		48 431 383	375 362 372	311 753 947	1.17%	0.67%
ESF		24 148 178	375 362 370	286 842 125	0.00%	0.00%
TOTAL	0	72 579 561	750 724 742	598 596 072		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	21	1 049 980	0.00%	1.45%
ERDF			6	176 168	0.00%	0.36%
ESF			15	873 812	0.00%	3.62%
Programming Period 2007-13 cumulative	2	15 672	126	5 291 509	0.00%	0.88%
ERDF			10	418 092	0.00%	0.13%
ESF	2	15 672	116	4 873 418	0.01%	1.70%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE	
	months/average	months/average	months/average	
Reporting period 2010-14	N/A	N/A	N/A	
Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	2		2	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	-	17	-	19	2	-	-	37

Greece

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	30	8 247 512	12	1 292 094	5.81%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	45 231 610		893 836
EAGF	direct aids	2 246 413 946	4.53%	101 832 085
EAFRD	rural development	549 164 613	8.91%	48 905 111
EFF	fisheries	7 010 049	1.56%	315 452
TOTAL		2 847 820 218		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	11	727 935	13	851 411	0.03%	0.04%
EAFRD	1	13 502	35	350 593	0.00%	0.06%
EAGF/EAFRD			25	380 483	N/A	N/A
EFF						0.00%
TOTAL	12	741 437	73	1 582 488	0.03%	0.06%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	33	9	42

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	46	1	47	2%

3. Cohesion Policy						
Fund	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF		2 111 441 387	12 149 300 178	10 831 233 913	2.22%	0.00%
Cohesion Fund		580 210 011	3 697 160 864	3 323 501 317		
ESF		1 088 683 043	4 363 800 403	3 686 938 695	5.00%	3.00%
TOTAL	0	3 780 334 441	20 210 261 445	17 841 673 925		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	3	872 237	196	94 828 841	0.02%	2.51%
ERDF	2	850 915	138	72 755 010	0.04%	3.45%
Cohesion Fund			19	19 999 916	0.00%	3.45%
ESF	1	21 322	39	2 073 914	0.00%	0.19%
Programming Period 2007-13 cumulative	24	7 120 200	730	352 030 335	0.04%	1.97%
ERDF	23	7 098 878	583	274 032 505	0.07%	2.53%
Cohesion Fund			68	52 699 859	0.00%	1.59%
ESF	1	21 322	79	25 297 971	0.00%	0.69%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	56	15	70

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	21	3	24	13%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
215	11	71	23	2	-	-	-	321

Spain

1. Traditional Own Resources

Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	120	31 610 207	288	16 277 914	3.17%

2. Natural Resources - Financial Year 2014

Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	474 267 787	10.49% wine restr.	16 697 932
EAGF	direct aids	5 110 448 403	5.24%	267 096 195
EAFRD	rural development	964 188 641	3.75%	36 627 505
EFF	fisheries	183 145 256	1.42%	5 128 067
TOTAL		6 732 050 087		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	15	440 575	198	8 885 023	0.01%	0.16%
EAFRD	4	135 168	219	16 051 653	0.01%	1.66%
EFF			12	842 444		0.46%
TOTAL	19	575 743	429	25 779 120	0.01%	0.38%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	25	27	52

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	34	1	35	3%

3. Cohesion Policy

Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF		2 491 031 202	23 052 671 624	16 567 893 586	6.19%	1.44%
Cohesion Fund		646 438 591	3 543 213 008	3 222 009 076		
ESF	20 000 000	336 193 645	7 930 858 086	5 409 970 904	5.50%	1.80%
TOTAL	20 000 000	3 473 663 438	34 526 742 718	25 199 873 566		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	4	394 452	161	380 598 609	0.01%	10.96%
ERDF			61	366 879 655	0.00%	14.73%
Cohesion Fund			3	897 076	0.00%	0.14%
ESF	4	394 452	97	12 821 877	0.12%	3.81%
Programming Period 2007-13 cumulative	8	538 288	768	489 003 360	0.00%	1.94%
ERDF	3	123 586	468	457 466 464	0.00%	2.76%
Cohesion Fund			11	2 064 603	0.00%	0.06%
ESF	5	414 702	289	29 472 294	0.01%	0.54%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	47	6	53

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	8		8	0%

4. Financial Corrections and recoveries

Breakdown-down of 2014 financial corrections implemented under shared management									
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL	
75	0	178	-8	101	-	0	1	346	

France

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	131	33 788 803	283	28 031 020	3.33%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	551 830 595	5% wine restr. / 25.58% School milk scheme	11 421 743
EAGF	direct aids	7 779 692 012	4.22%	328 932 967
EAFRD	rural development	798 152 731	7.26%	57 933 076
EFF	fisheries	24 039 286	1.39%	1 141 866
TOTAL		9 153 714 624		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	15	3 180 251	94	26 281 081	0.04%	0.32%
EAFRD	2	71 404	64	1 223 789	0.01%	0.15%
EFF	1		9	991 634	0.00%	4.13%
TOTAL	18	3 251 655	167	28 496 504	0.04%	0.31%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	28	22	50

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	34	1	35	3%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF		1 391 386 917	8 051 760 586	6 230 112 400	3.85%	1.21%
ESF	100 000 000	819 024 169	5 494 547 990	4 101 010 047	2.70%	1.00%
TOTAL	100 000 000	2 210 411 087	13 546 308 576	10 331 122 448		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	3	2 648 689	170	39 310 735	0.12%	1.78%
ERDF			103	22 668 933	0.00%	1.63%
ESF	3	2 648 689	67	16 641 802	0.32%	2.03%
Programming Period 2007-13 cumulative	4	2 846 370	254	39 738 840	0.03%	0.38%
ERDF	1	197 681	161	23 043 358	0.00%	0.37%
ESF	3	2 648 689	93	16 695 482	0.06%	0.41%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	53	6	59

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	4		4	0%

4. Financial Corrections and recoveries									
Breakdown-down of 2014 financial corrections implemented under shared management									
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL	
411	14	4	-	23	10	-	0	462	

Croatia

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	8	666 342	2	130 002	1.40%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	3 246 601		43 669
EAGF	direct aids	93 202 238	0.16%	145 737
EAFRD	rural development			
EFF	fisheries			
TOTAL		96 448 839		

3. Cohesion Policy						
Programming period 2007-13						
Fund	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF		99 992 581.00	424 762 900.00	197 642 218.68	2.00%	0.00%
Cohesion Fund		86 149 873.15	281 099 011.00	145 328 725.76		
ESF		43 998 399.76	131 742 535.86	43 998 399.76	0.80%	0.50%
TOTAL	1 997 403 778.00	1 149 568 492.90	11 411 853 663.00	5 826 233 845.98		

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL

Italy

1. Traditional Own Resources

Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	51	54 423 351	104	8 707 647	3.11%

2. Natural Resources - Financial Year 2014

Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	603 595 272		4 124 992
EAGF	direct aids	3 902 241 260	1.14%	44 515 934
EAFRD	rural development	1 204 033 199	3.76%	45 487 681
EFF	fisheries	47 721 421	0.83%	1 918 401
TOTAL		5 757 591 152		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	46	5 256 199	263	24 439 967	0.12%	0.54%
EAFRD	8	556 690	140	6 514 508	0.05%	0.54%
EAGF/EAFRD			21	2 114 099	N/A	N/A
EFF	3	370 654	2	16 583	0.78%	0.03%
TOTAL	57	6 183 542	426	33 085 157	0.11%	0.57%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	41	10	51

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	416	11	427	3%

3. Cohesion Policy

Programming period 2007-13 Fund	Appropriations 2014		Cumulative PP2007-13		2014 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF		2 697 016 561	20 992 070 961	12 302 195 144	3.01%	2.76%
ESF	30 000 000	1 006 383 196	6 960 542 469	5 405 151 602	2.70%	1.40%
TOTAL	30 000 000	3 703 399 757	27 952 613 430	17 707 346 746		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	4	630 557	215	63 015 898	0.02%	1.70%
ERDF	2	494 586	193	58 085 658	0.02%	2.15%
ESF	2	135 971	22	4 930 240	0.01%	0.49%
Programming Period 2007-13 cumulative	62	78 967 113	709	249 467 806	0.45%	1.41%
ERDF	51	77 234 337	649	235 768 525	0.63%	1.92%
ESF	11	1 732 775	60	13 699 280	0.03%	0.25%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	43	15	58

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	61	1	62	2%

4. Financial Corrections and recoveries

Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
8	2	288	-	20	5	0	-	324

Cyprus

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	2	22 192	9	140 537	0.68%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	5 330 302		3 716
EAGF	direct aids	51 667 591	0.49%	252 116
EAFRD	rural development	22 898 351	3.46%	793 200
EFF	fisheries	2 995 629	0.00%	300
TOTAL		82 891 873		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	27 962	10	123 157	0.05%	0.22%
EAFRD	1	12 500	9	304 396	0.05%	1.33%
EFF					0.00%	0.00%
TOTAL	2	40 462	19	427 553	0.05%	0.52%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	28	5	33

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	2		2	0%

3. Cohesion Policy					
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate
	Commitments	Payments	Commitments	Payments	
	EUR	EUR	EUR	EUR	%
ERDF		54 246 243	279 461 354	246 492 142	1.21%
Cohesion Fund		54 811 803	213 204 484	161 313 928	0.93%
ESF		31 705 094	119 769 154	108 294 033	0.70%
TOTAL	0	140 763 140	612 434 992	516 100 103	

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	1	126 316	4	186 877	0.09%	0.13%
ERDF	1	126 316	1	35 528	0.23%	0.07%
Cohesion Fund					0.00%	0.00%
ESF			3	151 349	0.00%	0.48%
Programming Period 2007-13 cumulative	5	328 774	13	399 031	0.06%	0.08%
ERDF	3	315 249	7	185 783	0.13%	0.08%
Cohesion Fund					0.00%	0.00%
ESF	2	13 526	6	213 247	0.01%	0.20%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	29	7	36

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	4	1	5	20%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL

Latvia

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	20	987 566	7	850 644	5.33%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	4 013 557		11 891
EAGF	direct aids	143 760 006	1.25%	1 799 906
EAFRD	rural development	58 786 443	6.02%	3 539 906
EFF	fisheries	16 211 375	0.00%	0
TOTAL		222 771 381		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						0.00%
EAFRD	11	715 218	29	1 010 903	1.22%	1.72%
EFF						0.00%
TOTAL	11	715 218	29	1 010 903	0.32%	0.45%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	9	2	10

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	17	1	18	6%

3. Cohesion Policy					
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average
	Commitments	Payments	Commitments	Payments	risk rate
	EUR	EUR	EUR	EUR	%
ERDF		388 684 338	2 407 567 364	1 908 964 349	1.06%
Cohesion Fund		323 953 441	1 539 776 553	1 238 131 527	1.56%
ESF			583 103 717	553 948 531	0.90%
TOTAL	0	712 637 780	4 530 447 634	3 701 044 407	0.00%

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	27	7 044 371	92	12 741 670	0.99%	1.79%
ERDF	22	6 947 500	77	12 417 795	1.79%	3.19%
Cohesion Fund	1	29 611	2	295 313	0.01%	0.09%
ESF	4	67 260	13	28 562	#DIV/0!	#DIV/0!
Programming Period 2007-13 cumulative	73	32 701 752	249	51 292 829	0.88%	1.39%
ERDF	60	32 478 568	201	45 194 960	1.70%	2.37%
Cohesion Fund	2	38 123	6	890 516	0.00%	0.07%
ESF	11	185 060	42	5 207 354	0.03%	0.94%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	17	6	23

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	72	1	73	1%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	0	0	4 -	-	-	-	-	5

Lithuania

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	14	712 907	35	2 212 533	3.41%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	4 080 095		76 524
EAGF	direct aids	375 811 208	0.21%	786 540
EAFRD	rural development	232 381 211	8.19%	19 041 660
EFF	fisheries	5 928 308	0.00%	0
TOTAL		618 200 822		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			36	718 822		0.19%
EAFRD	6	1 603 846	75	5 133 182	0.69%	2.21%
EFF			3	50 536		0.85%
TOTAL	6	1 603 846	114	5 902 540	0.26%	0.95%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	41	10	51

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	11		11	0%

3. Cohesion Policy						
Programming period 2007-13						
Fund	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
ERDF		447 994 801	3 441 950 353	5 919 234 233		
Cohesion Fund		399 084 167	2 305 235 743	3 980 863 745	0.66%	0.71%
ESF		166 070 504	1 028 306 727	1 787 712 277	0.50%	0.80%
TOTAL	0	1 013 149 472	6 775 492 823	11 687 810 255		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	2	283 773	102	34 552 051	0.03%	3.41%
ERDF	2	283 773	75	5 537 429	0.06%	1.24%
Cohesion Fund			21	28 387 921	0.00%	7.11%
ESF			6	626 701	0.00%	0.38%
Programming Period 2007-13 cumulative	11	1 375 085	414	115 738 113	0.01%	0.99%
ERDF	4	332 120	255	28 037 922	0.01%	0.47%
Cohesion Fund	4	732 148	144	86 903 839	0.02%	2.18%
ESF	3	310 818	15	796 352	0.02%	0.04%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	20	5	24

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	11		11	0%

4. Financial Corrections and recoveries									
Breakdown-down of 2014 financial corrections implemented under shared management									
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL	
-5	2	-	2	-	-	-	0	0	

Luxembourg

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	0	0			0.00%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	297 664		651
EAGF	direct aids	33 088 060	0.19%	64 157
EAFRD	rural development	1 287 916	2.46%	31 704
TOTAL		34 673 640		

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF/EAFRD						
TOTAL	0	0	0	0	0.00%	0.00%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	57	15	72

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	1		1	0%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF		4 156 720	25 243 666	21 382 521	0.41%	0.17%
ESF		3 910 172	25 243 666	20 932 857	1.90%	0.00%
TOTAL	0	8 066 891	50 487 332	42 315 378		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	0	0	0.00%	0.00%
ERDF					0.00%	0.00%
ESF					0.00%	0.00%
Programming Period 2007-13 cumulative	0	0	8	210 788	0.00%	0.50%
ERDF					0.00%	0.00%
ESF			8	210 788	0.00%	1.01%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	0	0	0	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	0	-	-	-	-	0	-	0

Hungary

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	7	171 088	78	2 268 155	1.73%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	52 241 267		107 927
EAGF	direct aids	1 287 608 038	5.94%	76 515 798
EAFRD	rural development	550 351 068	2.57%	14 120 613
EFF	fisheries	3 149 813	0.17%	30 238
TOTAL		1 893 350 186		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	11	1 449 297	88	3 890 616	0.11%	0.29%
EAFRD	167	5 225 949	257	15 599 239	0.95%	2.83%
EFF			2	324 559		10.30%
TOTAL	178	6 675 246	347	19 814 414	0.35%	1.05%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	31	8	39

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	274	3	277	1%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF		1 447 012 234	12 638 528 106	9 640 918 627		
Cohesion Fund		1 891 341 672	8 642 316 217	6 428 029 743	3.06%	1.60%
ESF		894 540 064	3 612 105 279	2 923 489 237	4.80%	1.90%
TOTAL	0	4 232 893 969	24 892 949 602	18 992 437 607		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	30	2 111 989	190	15 924 460	0.05%	0.38%
ERDF	30	2 111 989	157	13 309 157	0.15%	0.92%
Cohesion Fund			12	945 314	0.00%	0.05%
ESF			21	1 669 990	0.00%	0.19%
Programming Period 2007-13 cumulative	40	3 286 463	554	78 767 704	0.02%	0.41%
ERDF	36	3 034 477	393	58 248 155	0.03%	0.60%
Cohesion Fund	2	126 056	53	13 974 415	0.00%	0.22%
ESF	2	125 930	108	6 545 134	0.00%	0.22%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	12	3	15

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	40		40	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
1	0	6	2	16	-	-	0	25

Malta

1. Traditional Own Resources

Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	2	326 396	0	0	2.34%

2. Natural Resources - Financial Year 2014

Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	296 254		262
EAGF	direct aids	5 272 930	0.00%	44
EAFRD	rural development	11 410 988	3.10%	353 581
EFF	fisheries	1 760 768	0.00%	0
TOTAL		18 740 940		

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						
EAFRD	1	61 814	2	57 085	0.54%	0.50%
EFF						
TOTAL	1	61 814	2	57 085	0.33%	0.30%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	7	3	10

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	6		6	0%

3. Cohesion Policy

Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF		118 785 359	443 978 031	331 467 728		
Cohesion Fund		59 318 110	284 145 020	207 276 277	0.62%	0.39%
ESF		15 953 136	112 000 000	77 761 726	0.60%	0.60%
TOTAL	0	194 056 604	840 123 051	616 505 730		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	14	981 879	0.00%	0.51%
ERDF			10	854 444	0.00%	0.72%
Cohesion Fund			2	72 478	0.00%	0.12%
ESF			2	54 957	0.00%	0.34%
Programming Period 2007-13 cumulative	14	246 439	30	1 962 615	0.04%	0.32%
ERDF	14	246 439	22	1 751 875	0.07%	0.53%
Cohesion Fund			2	72 478	0.00%	0.03%
ESF			6	138 263	0.00%	0.18%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	30	11	41

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	14		14	0%

4. Financial Corrections and recoveries

Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	-	-	-	-	-	-	-	0

Netherlands

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	7	414 169	389	43 748 347	1.67%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	33 845 364	11.19% Fruits & veg	3 233 770
EAGF	direct aids	805 799 539	0.26%	2 081 284
EAFRD	rural development	111 016 078	6.49%	7 220 693
EFF	fisheries	0	13.17%	0
TOTAL		950 660 981		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			70	23 375 486	0.00%	2.78%
EAFRD			70	2 676 434		2.41%
EFF			1	24 892		#DIV/0!
TOTAL	0	0	141	26 076 812	0.00%	2.74%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	22	13	35

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	3		3	0%

3. Cohesion Policy					
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate
	Commitments	Payments	Commitments	Payments	
	EUR	EUR	EUR	EUR	%
ERDF		149 565 064	830 000 000	696 883 174	0.97%
ESF		129 106 356	830 002 737	641 684 501	4.60%
TOTAL	0	278 671 420	1 660 002 737	1 338 567 676	

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	3	2 105 339	40	5 181 199	0.76%	1.86%
ERDF			34	3 006 406	0.00%	2.01%
ESF	3	2 105 339	6	2 174 793	1.63%	1.68%
Programming Period 2007-13 cumulative	4	2 698 123	181	17 997 849	0.20%	1.34%
ERDF			144	13 584 270	0.00%	1.95%
ESF	4	2 698 123	37	4 413 580	0.42%	0.69%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	36	4	39

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	4		4	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
30	4	-	-	-	0	-	0	34

Austria

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	22	3 455 606	58	2 761 902	2.61%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	22 061 031	12.69% Fruits & veg	1 485 893
EAGF	direct aids	695 527 340	0.10%	681 343
EAFRD	rural development	244 873 999	2.04%	5 006 799
EFF	fisheries	274 079	0.09%	2 631
TOTAL		962 736 449		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			12	227 063	0.00%	0.03%
EAFRD			16	277 544	0.00%	0.11%
EFF						0.00%
TOTAL	0	0	28	504 607	0.00%	0.05%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	34	30	64

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	9	1	10	10%

3. Cohesion Policy					
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average
	Commitments	Payments	Commitments	Payments	risk rate
	EUR	EUR	EUR	EUR	%
ERDF		81 839 973	645 760 830	441 844 630	2.00%
ESF		50 428 816	524 412 560	498 191 932	2.30%
TOTAL	0	132 268 789	1 170 173 390	940 036 562	

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	56	2 038 206	0.00%	1.54%
ERDF			48	1 850 998	0.00%	2.26%
ESF			8	187 208	0.00%	0.37%
Programming Period 2007-13 cumulative	6	723 128	115	7 815 995	0.08%	0.83%
ERDF	5	712 380	84	6 749 067	0.16%	1.53%
ESF	1	10 748	31	1 066 928	0.00%	0.21%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	36	4	40

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	6		6	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
2	1	-	-	3	-	-	0	7

Poland

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	37	3 618 513	176	7 725 513	1.99%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	225 397 572	25.25% Fruits & veg	49 180 645
EAGF	direct aids	2 982 334 188	1.55%	46 161 699
EAFRD	rural development	1 700 773 103	4.83%	82 221 601
EFF	fisheries	132 430 236	1.43%	3 403 457
TOTAL		5 040 935 099		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	28	29 474 383	15	649 675	0.92%	0.02%
EAFRD	50	2 364 424	136	4 089 057	0.14%	0.00%
EAGF/EAFRD			2	41 569	N/A	N/A
EFF			6	847 041	0.00%	0.64%
TOTAL	78	31 838 807	159	5 627 343	0.63%	0.11%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	19	9	28

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	210	16	226	7%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF		5 657 379 631	34 791 000 148	30 590 297 903	2.51%	1.12%
Cohesion Fund		4 497 445 614	22 387 151 159	17 958 425 999		
ESF		1 532 155 871	10 007 397 937	8 728 088 227	0.50%	0.00%
TOTAL	0	11 686 981 116	67 185 549 244	57 276 812 129		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	44	178 144 925	673	117 721 557	1.52%	1.01%
ERDF	36	21 642 046	573	105 425 067	0.38%	1.86%
Cohesion Fund	5	156 223 224	20	4 462 672	3.47%	0.10%
ESF	3	279 655	80	7 833 818	0.02%	0.51%
Programming Period 2007-13 cumulative	180	437 320 751	2 997	636 525 525	0.76%	1.11%
ERDF	144	156 841 856	2 515	407 166 353	0.51%	1.33%
Cohesion Fund	8	277 231 936	109	194 370 556	1.54%	1.08%
ESF	28	3 246 959	373	34 988 616	0.04%	0.40%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	26	5	30

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	169	11	180	6%

4. Financial Corrections and recoveries									
Breakdown-down of 2014 financial corrections implemented under shared management									
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL	
0	6	1	26	33	-	-	0	65	

Portugal

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	1	150 068	54	3 249 925	2.30%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	100 404 710		1 232 614
EAGF	direct aids	634 862 683	2.97%	18 838 888
EAFRD	rural development	683 122 011	9.78%	66 821 441
EFF	fisheries	29 046 261	0.56%	505 405
TOTAL		1 447 435 665		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	2 420 039	45	2 173 688	0.33%	0.30%
EAFRD	4	213 541	195	9 822 504	0.03%	1.44%
EFF	1	28 979	13	970 392	0.10%	3.34%
TOTAL	7	2 662 559	253	12 966 583	0.18%	0.90%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	25	9	35

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	9		9	0%

3. Cohesion Policy						
Fund	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF		1 541 659 766	11 498 207 122	10 497 897 651		
Cohesion Fund		618 631 792	3 059 965 525	2 818 913 759	1.17%	0.58%
ESF		819 153 786	6 853 387 865	6 507 579 428	1.50%	1.00%
TOTAL	0	2 979 445 344	21 411 560 512	19 824 390 838		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	1	2 629 333	97	21 189 050	0.09%	0.71%
ERDF	1	2 629 333	72	19 573 625	0.17%	1.27%
Cohesion Fund			8	931 813	0.00%	0.15%
ESF			17	683 612	0.00%	0.08%
Programming Period 2007-13 cumulative	13	4 041 657	431	75 841 342	0.02%	0.38%
ERDF	2	2 659 706	258	64 173 061	0.03%	0.61%
Cohesion Fund	1	91 452	27	4 488 312	0.00%	0.16%
ESF	10	1 290 499	146	7 179 969	0.02%	0.11%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	58	16	74

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	13		13	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
28	14	0	0	0	1	8	1	54

Romania

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	14	381 856	61	8 059 449	5.98%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	74 987 535	25% Fruits & veg.	1 718 468
EAGF	direct aids	1 259 560 966	1.74%	21 900 244
EAFRD	rural development	822 842 472	6.77%	55 688 805
EFF	fisheries	24 331 635	0.18%	1 121 688
TOTAL		2 181 722 608		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	22	690 556	150	9 598 462	0.05%	0.72%
EAFRD	31	7 870 326	541	46 311 398	0.96%	5.63%
EFF	1	968 733	3	1 156 319	3.98%	4.75%
TOTAL	54	9 529 615	694	57 066 179	0.44%	2.62%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	26	2	28

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	136	9	145	6%

3. Cohesion Policy					
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average
	Commitments	Payments	Commitments	Payments	risk rate
	EUR	EUR	EUR	EUR	%
ERDF		1 864 404 746	8 851 294 343	5 156 214 789	1.99%
Cohesion Fund		1 554 586 467	6 522 216 180	3 946 891 036	1.02%
ESF		117 815 418	3 684 147 618	1 628 187 494	0.00%
TOTAL	0	3 536 806 631	19 057 658 141	10 731 293 319	

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	25	12 173 753	330	40 601 669	0.34%	1.15%
ERDF	13	9 708 011	133	23 717 134	0.52%	1.27%
Cohesion Fund			36	6 171 690	0.00%	0.40%
ESF	12	2 465 741	161	10 712 845	2.09%	9.09%
Programming Period 2007-13 cumulative	87	42 950 303	896	149 836 198	0.40%	1.40%
ERDF	32	17 648 006	478	88 236 110	0.34%	1.71%
Cohesion Fund	2	17 731 901	138	43 187 037	0.45%	1.09%
ESF	53	7 570 396	280	18 413 050	0.46%	1.13%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	27	6	32

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	87		87	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL

Slovenia

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	11	1 009 264	8	182 398	1.54%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	6 271 379		40 831
EAGF	direct aids	140 204 433	0.73%	1 020 667
EAFRD	rural development	118 091 451	1.29%	1 521 137
EFF	fisheries	5 135 416	0.49%	0
TOTAL		269 702 679		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	340 915	4	176 146	0.23%	0.12%
EAFRD	2	338 610	17	455 836	0.29%	0.39%
EFF			1	10 620		0.21%
TOTAL	3	679 525	22	642 601	0.25%	0.24%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	14	10	24

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	16	1	17	6%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
Fund	EUR	EUR	EUR	EUR		
ERDF		298 282 490	1 933 779 408	1 777 260 012	3.56%	0.49%
Cohesion Fund		338 557 167	1 411 569 858	906 857 881		
ESF		134 880 400	755 699 370	667 250 487	3.60%	1.60%
TOTAL	0	771 720 057	4 101 048 636	3 351 368 379		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	7	6 779 604	37	8 952 008	0.88%	1.16%
ERDF	3	6 683 876	30	6 560 222	2.24%	2.20%
Cohesion Fund			5	2 289 714	0.00%	0.68%
ESF	4	95 729	2	102 072	0.07%	0.08%
Programming Period 2007-13 cumulative	20	24 995 697	149	26 271 748	0.75%	0.78%
ERDF	16	24 899 969	100	20 731 184	1.40%	1.17%
Cohesion Fund			12	2 701 213	0.00%	0.30%
ESF	4	95 729	37	2 839 350	0.01%	0.43%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	26	5	31

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	12	8	20	40%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
2	1	4	-	-	-	-	0	7

Slovakia

1. Traditional Own Resources

Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	3	256 714	32	1 497 052	1.38%

2. Natural Resources - Financial Year 2014

Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	7 951 382		21 450
EAGF	direct aids	371 546 506	1.66%	6 155 487
EAFRD	rural development	148 345 380	3.26%	4 843 296
EFF	fisheries	1 333 296	0.57%	17 466
TOTAL		529 176 564		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			5	195 042		0.05%
EAFRD			30	905 224		0.61%
EAGF/EAFRD			2	116 711	N/A	N/A
EFF			1	41 065		3.08%
TOTAL	0	0	38	1 258 042	0.00%	0.24%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	30	4	34

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	2		2	0%

3. Cohesion Policy

Programming period 2007-13	Appropriations 2014		Cumulative PP2007-13		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
Fund	EUR	EUR	EUR	EUR		
ERDF		137 719 069	6 099 989 765	3 625 118 796	1.81%	1.67%
Cohesion Fund		403 065 761	3 898 738 563	2 244 592 895		
ESF		312 164 536	1 484 030 338	1 032 671 762	7.90%	2.60%
TOTAL	0	852 949 366	11 482 758 666	6 902 383 453		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	10	1 005 277	262	238 953 983	0.12%	28.02%
ERDF	4	696 732	129	119 947 425	0.51%	87.10%
Cohesion Fund			44	113 239 079	0.00%	28.09%
ESF	6	308 546	89	5 767 479	0.10%	1.85%
Programming Period 2007-13 cumulative	32	10 981 073	697	431 179 894	0.16%	6.25%
ERDF	12	7 287 739	397	202 238 969	0.20%	5.58%
Cohesion Fund	1	0	88	204 554 394	0.00%	9.11%
ESF	19	3 693 334	212	24 386 530	0.36%	2.36%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	21	9	31

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	30	2	32	6%

4. Financial Corrections and recoveries

Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
0	-	19	111	7	-	-	0	137

Finland

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	3	76 017	32	1 371 455	0.86%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	5 256 981		15 855
EAGF	direct aids	519 426 986	0.51%	2 648 156
EAFRD	rural development	56 934 909	2.98%	1 696 581
EFF	fisheries	3 702 853	0.00%	11 479
TOTAL		585 321 729		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			12	219 886		0.04%
EAFRD			14	259 972		0.46%
EFF			5	91 674		2.48%
TOTAL	0	0	31	571 532		0.10%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14			

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14			0	

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-2013		2014 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF		133 791 750	977 401 980	856 013 817	0.15%	0.32%
ESF		81 359 493	618 564 064	567 330 877	0.30%	0.40%
TOTAL	0	215 151 243	1 595 966 044	1 423 344 694		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	11	321 607	0.00%	0.15%
ERDF			10	305 217	0.00%	0.23%
ESF			1	16 391	0.00%	0.02%
Programming Period 2007-13 cumulative	3	189 721	40	1 157 371	0.01%	0.08%
ERDF	2	189 721	29	849 186	0.02%	0.10%
ESF	1	0	11	308 185	0.00%	0.05%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	67	24	91

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	3		3	0%

4. Financial Corrections and recoveries									
Breakdown-down of 2014 financial corrections implemented under shared management									
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other		TOTAL
5	3	-	-	-	-	-	-		8

Sweden

1. Traditional Own Resources

Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	1	95 624	68	4 063 419	0.67%

2. Natural Resources - Financial Year 2014

Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	13 343 117		477 071
EAGF	direct aids	679 485 230	2.29%	15 577 331
EAFRD	rural development	221 274 236	3.75%	8 294 381
EFF	fisheries	5 542 368	0.00%	22 169
TOTAL		919 644 951		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	7 543	9	338 741	0.00%	0.05%
EAFRD			21	492 943	0.00%	0.22%
EFF			4	82 988		1.50%
TOTAL	1	7 543	34	914 671	0.001%	0.10%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	24	11	35

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	6		6	0%

3. Cohesion Policy

Programming period 2007-13	Appropriations 2014		Cumulative PP2007-2013		2014 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF		133 471 897	934 540 730	839 794 245	0.49%	0.82%
ESF		211 251 255	691 551 158	621 844 443	1.40%	1.20%
TOTAL	0	344 723 152	1 626 091 888	1 461 638 688		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	2	7 755	29	1 114 918	0.00%	0.32%
ERDF	1	0	18	879 220	0.00%	0.66%
ESF	1	7 755	11	235 698	0.00%	0.11%
Programming Period 2007-13 cumulative	7	288 213	99	5 361 162	0.02%	0.37%
ERDF	5	250 443	65	3 879 328	0.03%	0.46%
ESF	2	37 770	34	1 481 834	0.01%	0.24%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	23	6	29

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	7		7	0%

4. Financial Corrections and recoveries

Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
1	0	1	-	-	0	-	2	4

United Kingdom

1. Traditional Own Resources					
Reporting Year 2014	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	42	2 676 250	1 135	572 885 031	15.81%

2. Natural Resources - Financial Year 2014				
Fund	Area	Payments	Adjusted error rate	(Residual) amount at risk
		EUR	%	EUR
EAGF	agricultural markets	39 483 380	10% Fruits & veg.	3 349 627
EAGF	direct aids	3 195 725 305	1.58%	50 114 621
EAFRD	rural development	691 044 486	5.54%	39 735 967
EFF	fisheries	32 251 658	0.78%	1 161 060
TOTAL		3 958 504 829		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	385 518	16	475 208	0.01%	0.01%
EAFRD	4	72 067	58	1 460 585	0.01%	0.21%
EFF			10	594 411		1.84%
TOTAL	5	457 585	84	2 530 203	0.01%	0.06%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	21	20	41

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2010-14	10	2	12	17%

3. Cohesion Policy						
Programming period 2007-13	Appropriations 2014		Cumulative PP2007-2013		2014 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF		1 294 844 194	5 386 864 367	4 071 486 141	2.60%	0.59%
ESF		318 941 461	4 490 827 143	3 150 460 682	4.90%	2.00%
TOTAL	0	1 613 785 655	9 877 691 510	7 221 946 823		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	10	864 894	445	29 138 947	0.05%	1.81%
ERDF	2	388 709	259	15 503 468	0.03%	1.20%
ESF	8	476 185	186	13 635 479	0.15%	4.28%
Programming Period 2007-13 cumulative	48	11 011 139	1 792	131 211 785	0.15%	1.82%
ERDF	28	1 085 325	1 102	74 640 335	0.03%	1.83%
ESF	20	9 925 814	690	56 571 450	0.32%	1.80%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Reporting period 2010-14	28	13	41

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	48		48	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2014 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	FIFG/EFF	EAGGF	Other	TOTAL
10	2	48	-	25	2	3	0	89

ANNEXES

ANNEX 1

TOR: Total number of fraudulent and non-fraudulent cases with the established amounts 2010-2014										
MS	2010		2011		2012		2013		2014	
	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR
BE	329	16.968.766	226	8.761.428	205	32.081.850	185	17.848.219	147	16.748.037
BG	51	542.075	30	196.924	15	3.013.962	31	2.657.357	29	10.639.521
CZ	72	8.513.113	49	2.609.620	74	2.841.388	57	3.009.759	83	11.557.085
DK	50	43.672.446	79	4.001.493	60	5.035.635	43	2.330.993	70	5.342.684
DE	1.633	93.732.142	1.700	95.511.818	1737	114.038.960	1813	137.082.821	1.463	78.283.825
EE	5	161.236	3	122.937	5	117.895	4	1.439.374	8	249.167
IE	39	1.839.600	31	885.119	33	1.543.855	23	1.488.625	28	2.067.028
EL	64	3.254.499	68	4.416.066	63	1.954.449	33	696.095	42	1.425.889
ES	478	90.551.698	422	57.250.172	454	44.113.386	387	32.154.215	408	46.438.552
FR	279	21.527.393	340	21.314.672	312	25.032.466	325	23.267.201	414	61.294.143
HR							8	151.098	10	565.702
IT	352	48.004.429	292	29.561.690	235	15.759.097	274	25.871.785	155	62.788.437
CY	11	521.143	6	207.289	4	167.393	16	1.072.067	11	162.729
LV	19	1.535.033	38	1.276.727	29	2.883.985	20	1.043.657	27	1.838.210
LT	39	1.214.403	47	3.759.608	38	826.151	46	2.538.218	49	2.802.460
LU	0	0	0	0	0	0	0	0	0	0
HU	72	3.936.924	55	2.041.417	41	1.128.459	47	1.348.340	85	2.422.516
MT	3	315.314	1	0	3	0	4	0	2	0
NL	882	38.064.922	759	28.440.186	531	87.785.709	433	39.846.251	396	42.195.137
AT	170	10.334.455	78	3.511.503	57	3.143.065	63	3.388.590	80	6.217.508
PL	104	2.982.810	136	9.233.396	137	4.600.327	108	7.070.524	213	11.174.526
PT	29	923.479	22	1.409.163	25	911.983	31	2.619.916	55	3.249.925
RO	101	8.996.713	53	8.210.207	62	31.878.751	80	4.495.196	75	8.201.255
SI	46	1.350.013	22	1.290.681	23	694.717	13	564.687	19	1.191.662
SK	14	1.121.908	12	510.776	20	1.562.308	8	1.744.504	35	1.753.766
FI	32	1.400.540	55	4.026.143	35	3.594.054	43	2.505.185	35	1.414.986
SE	58	6.139.638	53	4.611.596	58	6.483.392	62	11.110.208	69	4.159.043
UK	838	41.126.036	775	49.650.625	1024	73.672.628	1178	98.102.201	1.177	572.885.031
Total	5.770	448.730.728	5.352	342.811.254	5.280	464.865.867	5.335	425.447.086	5.185	957.068.824

ANNEX 2

(The number of irregularities reported as fraudulent measures the results of efforts by Member States to counter fraud and other illegal activities affecting EU financial interests; it should not be interpreted as the level of fraud in their territories)

TOR: Number of fraudulent cases and the established amounts by Member State 2010-2014										
MS	2010		2011		2012		2013		2014	
	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR
BE	42	11.038.062	34	4.650.960	38	23.703.781	38	9.960.633	26	10.664.671
BG	47	516.268	24	99.525	10	1.613.618	17	375.727	25	10.454.247
CZ	1	11.511	1	34.042	0	0	3	26.748	0	0
DK	11	39.724.436	18	1.671.699	8	795.630	4	711.433	2	695.560
DE	194	14.619.785	158	7.581.418	192	8.955.008	193	17.749.099	125	6.183.102
EE	0	0	0	0	0	0	0	0	2	108.304
IE	21	995.680	11	0	5	0	4	0	4	0
EL	62	3.179.327	65	4.392.895	62	1.931.678	30	647.026	30	343.726
ES	334	78.629.819	267	33.893.815	337	36.743.061	143	14.968.620	120	30.160.638
FR	20	380.149	22	68.501	15	113.482	94	5.340.478	131	33.263.123
HR	NA	NA	NA	NA	NA	NA	5	96.268	8	435.700
IT	181	17.095.265	123	10.151.788	92	6.004.268	138	11.357.701	51	54.080.790
CY	3	183.816	0	0	0	0	1	76.603	2	22.192
LV	11	750.201	10	491.911	9	842.780	12	535.709	20	987.566
LT	14	463.084	21	3.050.106	14	405.714	23	1.779.342	14	589.927
LU	0	0	0	0	0	0	0	0	0	0
HU	5	226.258	6	126.941	3	40.079	5	93.746	7	154.361
MT	3	315.314	1	0	2	0	4	0	2	0
NL	57	2.310.064	26	101.000	10	0	19	253	7	0
AT	27	4.917.866	13	924.393	10	669.369	13	252.298	22	3.455.606
PL	26	1.127.717	30	861.228	24	811.001	17	1.087.866	37	3.449.313
PT	10	33.600	4	186.380	1	0	1	0	1	0
RO	16	3.222.162	17	1.625.697	19	1.784.530	15	174.947	14	141.806
SI	22	614.562	12	1.019.564	5	381.597	5	337.120	11	1.009.264
SK	0	0	0	0	1	46.323	0	0	3	256.714
FI	5	164.353	7	1.914.534	11	483.321	5	349.402	3	43.531
SE	10	1.869.538	2	12.771	0	0	0	0	1	95.624
UK	36	2.109.194	30	1.149.176	26	2.137.516	23	2.109.597	42	0
Total	1.158	184.498.030	902	74.008.344	894	87.462.758	812	68.030.616	710	156.595.764

ANNEX 3

TOR: Number of non-fraudulent cases and the established amounts by Member State 2010-2014										
MS	2010		2011		2012		2013		2014	
	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR
BE	287	5.930.704	192	4.110.468	167	8.378.069	147	7.887.586	121	6.083.366
BG	4	25.808	6	97.399	5	1.400.344	14	2.281.630	4	185.274
CZ	71	8.501.602	48	2.575.578	74	2.841.388	54	2.983.011	83	11.557.085
DK	39	3.948.010	61	2.329.794	52	4.240.005	39	1.619.560	68	4.647.124
DE	1.439	79.112.356	1.542	87.930.399	1545	105.083.952	1620	119.333.722	1.338	72.100.724
EE	5	161.236	3	122.937	5	117.895	4	1.439.374	6	140.863
IE	18	843.920	20	885.119	28	1.543.855	19	1.488.625	24	2.067.028
EL	2	75.172	3	23.171	1	22.771	3	49.070	12	1.082.163
ES	144	11.921.879	155	23.356.357	117	7.370.325	244	17.185.595	288	16.277.914
FR	259	21.147.244	318	21.246.171	297	24.918.984	231	17.926.723	283	28.031.020
HR	NA	NA	NA	NA	NA	NA	3	54.830	2	130.002
IT	171	30.909.164	169	19.409.902	143	9.754.829	136	14.514.084	104	8.707.647
CY	8	337.327	6	207.289	4	167.393	15	995.464	9	140.537
LV	8	784.832	28	784.816	20	2.041.205	8	507.947	7	850.644
LT	25	751.319	26	709.502	24	420.436	23	758.876	35	2.212.533
LU	0	0	0	0	0	0	0	0	0	0
HU	67	3.710.666	49	1.914.476	38	1.088.380	42	1.254.594	78	2.268.155
MT	0	0	0	0	1	0	0	0	0	0
NL	825	35.754.858	733	28.339.186	521	87.785.709	414	39.845.998	389	42.195.137
AT	143	5.416.589	65	2.587.110	47	2.473.696	50	3.136.292	58	2.761.902
PL	78	1.855.093	106	8.372.168	113	3.789.326	91	5.982.659	176	7.725.213
PT	19	889.879	18	1.222.783	24	911.983	30	2.619.916	54	3.249.925
RO	85	5.774.551	36	6.584.509	43	30.094.222	65	4.320.249	61	8.059.449
SI	24	735.451	10	271.117	18	313.120	8	227.567	8	182.398
SK	14	1.121.908	12	510.776	19	1.515.985	8	1.744.504	32	1.497.052
FI	27	1.236.187	48	2.111.609	24	3.110.733	38	2.155.783	32	1.371.455
SE	48	4.270.100	51	4.598.825	58	6.483.392	62	11.110.208	68	4.063.419
UK	802	39.016.842	745	48.501.449	998	71.535.112	1155	95.992.604	1.135	572.885.031
Total	4.612	264.232.697	4.450	268.802.910	4.386	377.403.109	4.523	357.416.470	4.475	800.473.061

ANNEX 4

	TOR: Percentage of the established and estimated OWNRES amounts to the collected and made available TOR (gross) in 2014 per Member State						
MS	Gross amount TOR collected, EUR	All		Fraudulent		Non-fraudulent	
		OWNRES established and estimated amounts, EUR	OWNRES / gross TOR (3 = 2 / 1) %	OWNRES established and estimated amounts, EUR	OWNRES / gross TOR (5 = 4 / 1) %	OWNRES established and estimated amounts, EUR	OWNRES / gross TOR (7 = 6 / 1) %
	1	2	3	4	5	6	7
BE	2 096.705.400	19.534.133	0,93%	13.328.963	0,64%	6.205.170	0,30%
BG	75.576.584	10.734.476	14,20%	10.549.202	13,96%	185.274	0,25%
CZ	263.875.695	11.557.085	4,38%	0	0,00%	11.557.085	4,38%
DK	392.243.402	5.342.684	1,36%	695.560	0,18%	4.647.124	1,18%
DE	4.436.065.292	78.318.289	1,77%	6.197.315	0,14%	72.120.974	1,63%
EE	29.543.629	249.167	0,84%	108.304	0,37%	140.863	0,48%
IE	300.753.618	4.316.108	1,44%	2.249.080	0,75%	2.067.028	0,69%
EL	164.306.778	9.539.606	5,81%	8.247.512	5,02%	1.292.094	0,79%
ES	1.510.535.248	47.888.121	3,17%	31.610.207	2,09%	16.277.914	1,08%
FR	1.858.791.193	61.819.823	3,33%	33.788.803	1,82%	28.031.020	1,51%
HR	56.698.736	796.344	1,40%	666.342	1,18%	130.002	0,23%
IT	2.027.263.514	63.130.998	3,11%	54.423.351	2,68%	8.707.647	0,43%
CY	23.777.750	162.729	0,68%	22.192	0,09%	140.537	0,59%
LV	34.505.060	1.838.210	5,33%	987.566	2,86%	850.644	2,47%
LT	85.736.388	2.925.440	3,41%	712.907	0,83%	2.212.533	2,58%
LU	18.702.377	-	0,00%	0	0,00%	0	0,00%
HU	140.681.537	2.439.243	1,73%	171.088	0,12%	2.268.155	1,61%
MT	13.937.992	326.396	2,34%	326.396	2,34%	0	0,00%
NL	2.642.305.911	44.162.516	1,67%	414.169	0,02%	43.748.347	1,66%
AT	238.101.499	6.217.508	2,61%	3.455.606	1,45%	2.761.902	1,16%
PL	570.871.483	11.343.726	1,99%	3.618.513	0,63%	7.725.213	1,35%
PT	147.957.982	3.399.993	2,30%	150.068	0,10%	3.249.925	2,20%
RO	141.060.118	8.441.305	5,98%	381.856	0,27%	8.059.449	5,71%
SI	77.614.134	1.191.662	1,54%	1.009.264	1,30%	182.398	0,24%
SK	126.801.969	1.753.766	1,38%	256.714	0,20%	1.497.052	1,18%
FI	169.132.158	1.447.472	0,86%	76.017	0,04%	1.371.455	0,81%
SE	621.476.587	4.159.043	0,67%	95.624	0,02%	4.063.419	0,65%
UK	3.640.958.124	575.561.281	15,81%	2.676.250	0,07%	572.885.031	15,73%
Total	21.905.980.159	978.597.125	4,47%	176.218.869	0,80%	802.378.256	3,66%

ANNEX 5

M S	Tor: Recovery rates (RR) per cut-off date					
	2013			2014		
	Established EUR	Recovered, EUR	RR	Established EUR	Recovered, EUR	RR
BE	17.848.219	6.098.996	34%	16.748.037	7.559.729	45%
BG	2.657.357	1.974.304	74%	10.639.521	10.016.283	94%
CZ	3.009.759	2.898.833	96%	11.557.085	9.367.068	81%
DK	2.330.993	2.061.191	88%	5.342.684	4.117.891	77%
DE	137.082.821	109.892.924	80%	78.283.825	62.107.167	79%
EE	1.439.374	1.439.374	100%	249.167	222.266	89%
IE	1.488.625	1.319.449	89%	2.067.028	1.294.127	63%
EL	696.095	42.379	6%	1.425.889	1.196.447	84%
ES	32.154.215	17.825.642	55%	46.438.552	17.017.964	37%
FR	23.267.201	14.852.400	64%	61.294.143	21.352.497	35%
HR	151.098	116.669	77%	565.702	302.020	53%
IT	25.871.785	6.856.417	27%	62.788.437	5.897.106	9%
CY	1.072.067	778.369	73%	162.729	67.034	41%
LV	1.043.657	139.850	13%	1.838.210	108.894	6%
LT	2.538.218	649.314	26%	2.802.460	1.379.606	49%
LU	0	0	0%	0	0	0%
HU	1.348.340	1.246.508	92%	2.422.516	1.514.608	63%
MT	0	0	0%	0	0	0%
NL	39.846.251	17.417.359	44%	42.195.137	12.500.488	30%
AT	3.388.590	1.878.058	55%	6.217.508	1.912.103	31%
PL	7.070.524	5.571.056	79%	11.174.526	4.903.291	44%
PT	2.619.916	1.192.451	46%	3.249.925	3.113.879	96%
RO	4.495.196	3.354.444	75%	8.201.255	2.309.463	28%
SI	564.687	445.096	79%	1.191.662	307.401	26%
SK	1.744.504	1.744.504	100%	1.753.766	1.712.560	98%
FI	2.505.185	2.144.968	86%	1.414.986	1.288.230	91%
SE	11.110.208	9.391.636	85%	4.159.043	4.054.776	97%
UK	98.102.201	75.735.157	77%	572.885.031	53.304.339	9%
Total	425.447.086	287.067.347	67%	957.068.824	228.927.239	24%

ANNEX 6

TOR: Established amounts by customs procedure per Member State 2014										
MS	Fraudulent					Non-fraudulent				
	Release for free circulation	Transit	Customs warehousing	Inward processing	Other	Release for free circulation	Transit	Customs warehousing	Inward processing	Other
BE	10.664.671		0			2.455.491	142.123	1.641.562		1.844.190
BG	10.373.571	80.675				185.274				
CZ						10.829.868	417.952		309.265	
DK	695.560					2.912.508	63.743	1.029.268	39.113	602.491
DE	4.609.757	325.461			1.247.883	67.199.873	404.189	1.019.756	2.847.669	629.237
EE	108.304					130.554				10.309
IE					-	1.083.213			36.282	947.533
EL	281.956	0			61.770	1.082.163				0
ES	30.026.849				133.789	14.497.478	23.297	75.200	1.681.939	
FR	27.081.349	3.713.684	533.100	110.563	1.824.427	13.783.489	57.793	233.836	149.289	13.806.613
HR	172.018	0		122.347	141.334	130.002				
IT	7.862.804	0		46.217.986	-	8.594.850			99.828	12.969
CY	22.192					129.480		11.057		
LV	385.785	249.167			352.614	824.371		12.295	13.978	
LT	436.017				153.910	2.140.450	72.083			
LU										
HU	154.361	0				2.110.076	-			158.079
MT					-					
NL					-	39.187.185	1.617.301	775.084	28.022	587.545
AT	1.141.484	2.314.122				2.563.947	79.322		16.786	101.847
PL	537.875	2.810.229			101.210	6.354.052	1.301.020			70.141
PT	0					3.226.585		11.155	12.185	
RO	131.590				10.217	8.044.102				15.347
SI	823.216				186.048	182.398				
SK	256.714					1.497.052				
FI	43.531				-	1.289.120			58.853	23.482
SE	95.624					3.843.224		10.748	161.721	47.725
UK	0	0				551.573.481	-	889.269	19.520.850	901.431
Total	95.905.228	9.493.338	533.100	46.450.896	4.213.201	745.850.286	4.178.823	5.709.230	24.975.781	19.758.940

ANNEX 7

TOR: Method of detection by number of cases per Member State 2014															
MS	N	Fraudulent							Non-fraudulent						
		All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other	All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other
BE	147	26	1		25				121	17	77	9	4	6	8
BG	29	25	21	2	2				4		1	3			
CZ	83	0							83	5	54	10		13	1
DK	70	2	2						68	23	40			2	3
DE	1.463	125	72	10	40	2		1	1.338	117	573	40	341	223	44
EE	8	2		1	1				6			6			
IE	28	4			4				24	2	10	2	8	1	1
EL	42	30	15	1	5			9	12	1	4	5			2
ES	408	120	37	4	36	41		2	288	87	34	22	120	20	5
FR	414	131	33	35	61		2		283	52	111	87		33	
HR	10	8	1	5	1			1	2	1	1				
IT	155	51	8	18	25				104	23	57	14	1	9	
CY	11	2		2					9	1	8				
LV	27	20	20						7		7				
LT	49	14		2	12				35	6	22	6			1
LU	0	0							0						
HU	85	7	5	2					78	4	54	20			
MT	2	2			2				0						
NL	396	7	7						389	79	235	1		43	31
AT	80	22	4	8	9		1		58	7	31	1		11	8
PL	213	37	6	11	14			6	176	24	88	59		2	3
PT	55	1	1						54	8	3	42		1	
RO	75	14	2	1	11				61		1	60			
SI	19	11	5		6				8	4	2	2			
SK	35	3			3				32	4	22	1			5
FI	35	3	3						32	13	13			6	
SE	69	1		1					68		68				
UK	1.177	42	41	1					1.135		902			233	
	5.185	710	284	104	257	43	3	19	4.475	478	2.418	390	474	603	112

TOR: Established amounts by customs procedure per Member State 2014										
MS	Fraudulent					Non-fraudulent				
	Release for free circulation	Transit	Customs warehousing	Inward processing	Other	Release for free circulation	Transit	Customs warehousing	Inward processing	Other
BE	10.664.671		0			2.455.491	142.123	1.641.562		1.844.190
BG	10.373.571	80.675				185.274				
CZ						10.829.868	417.952		309.265	
DK	695.560					2.912.508	63.743	1.029.268	39.113	602.491
DE	4.609.757	325.461			1.247.883	67.199.873	404.189	1.019.756	2.847.669	629.237
EE	108.304					130.554				10.309
IE					-	1.083.213			36.282	947.533
EL	281.956	0			61.770	1.082.163				0
ES	30.026.849				133.789	14.497.478	23.297	75.200	1.681.939	
FR	27.081.349	3.713.684	533.100	110.563	1.824.427	13.783.489	57.793	233.836	149.289	13.806.613
HR	172.018	0		122.347	141.334	130.002				
IT	7.862.804	0		46.217.986	-	8.594.850			99.828	12.969
CY	22.192					129.480		11.057		
LV	385.785	249.167			352.614	824.371		12.295	13.978	
LT	436.017				153.910	2.140.450	72.083			
LU										
HU	154.361	0				2.110.076	-			158.079
MT					-					
NL					-	39.187.185	1.617.301	775.084	28.022	587.545
AT	1.141.484	2.314.122				2.563.947	79.322		16.786	101.847
PL	537.875	2.810.229			101.210	6.354.052	1.301.020			70.141
PT	0					3.226.585		11.155	12.185	
RO	131.590				10.217	8.044.102				15.347
SI	823.216				186.048	182.398				
SK	256.714					1.497.052				
FI	43.531				-	1.289.120			58.853	23.482
SE	95.624					3.843.224		10.748	161.721	47.725
UK	0	0				551.573.481	-	889.269	19.520.850	901.431
Total	95.905.228	9.493.338	533.100	46.450.896	4.213.201	745.850.286	4.178.823	5.709.230	24.975.781	19.758.940

ANNEX 8

TOR: Method of detection by number of cases per Member state 2014															
MS	N	Fraudulent							Non-fraudulent						
		All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other	All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other
BE	147	10.664.671	13.547		10.651.124				6.083.366	1.066.795	2.639.912	814.510	830.340	571.577	160.232
BG	29	10.454.247	10.390.839	36.908	26.501				185.274		22.644	162.630			
CZ	83	0							11.557.085	131.253	8.061.716	1.792.373		1.559.480	12.263
DK	70	695.560	695.560						4.647.124	709.014	2.897.020			194.830	846.261
DE	1.463	6.183.102	1.249.320	1.647.806	3.080.631	161.161		44.184	72.100.724	3.507.561	21.394.045	5.081.031	24.531.625	16.534.963	1.051.500
EE	8	108.304		26.489	81.815				140.863			140.863			
IE	28	0			-				2.067.028	143.887	571.917	329.504	546.980	117.704	357.036
EL	42	343.726	-	-	278.836			64.889	1.082.163	0	966.001	53.459			62.703
ES	408	30.160.638	4.164.493	216.253	2.797.577	22.911.109		71.206	16.277.914	3.872.840	1.616.690	731.889	8.984.316	867.202	204.977
FR	414	33.263.123	1.163.040	13.066.156	17.691.928		1.341.999		28.031.020	2.046.625	7.033.976	17.621.748		1.328.671	
HR	10	435.700	13.573	280.793	-			141.334	130.002	18.918	111.084				
IT	155	54.080.790	298.534	49.087.757	4.694.499				8.707.647	2.125.232	4.476.718	1.053.641	17.011	1.035.045	
CY	11	22.192		22.192					140.537	11.057	129.480				
LV	27	987.566	987.566						850.644		850.644				
LT	49	589.927		52.075	537.852				2.212.533	121.802	515.900	1.563.242			11.588
LU	0														
HU	85	154.361	52.967	101.395					2.268.155	124.562	1.474.551	669.042			
MT	2	0			-				0						
NL	396	0	-						42.195.137	3.763.450	29.922.334	24.022		1.602.245	6.883.086
AT	80	3.455.606	154.471	2.254.613	1.028.042		18.480		2.761.902	415.150	1.453.088	119.469		418.882	355.313
PL	213	3.449.313	532.925	330.025	830.067			1.756.296	7.725.213	487.315	3.121.921	4.006.375		25.926	83.676
PT	55	0	-						3.249.925	114.080	57.224	3.067.465		11.155	
RO	75	141.806	43.215	52.982	45.609				8.059.449		15.347	8.044.102			
SI	19	1.009.264	830.104		179.160				182.398	73.484	60.107	48.807			
SK	35	256.714			256.714				1.497.052	63.204	1.281.127	43.293			109.427
FI	35	43.531	43.531						1.371.455	330.335	673.058			368.062	
SE	69	95.624		95.624					4.063.419		4.063.419				
UK	1.177	0	-	-					572.885.031		556.629.346			16.255.685	
Total	5.185	156.595.764	20.633.683	67.271.065	42.180.356	23.072.270	1.360.479	2.077.910	800.473.061	19.126.563	650.039.272	45.367.465	34.910.272	40.891.428	10.138.061

ANNEX 9

MS	TOR: Recovery rates (RR) per Member State 2014					
	Fraudulent			Non-fraudulent		
	Established amount, EUR	Recovered amount, EUR	RR, %	Established amount, EUR	Recovered amount, EUR	RR, %
BE	10.664.671	2.876.317	27%	6.083.366	4.683.412	77%
BG	10.454.247	10.016.283	96%	185.274	-	0%
CZ				11.557.085	9.367.068	81%
DK	695.560	695.560	100%	4.647.124	3.422.331	74%
DE	6.183.102	3.835.131	62%	72.100.724	58.272.036	81%
EE	108.304	81.815	76%	140.863	140.451	100%
IE	0	0	0%	2.067.028	1.294.127	63%
EL	343.726	242.442	71%	1.082.163	954.005	88%
ES	30.160.638	4.264.236	14%	16.277.914	12.753.728	78%
FR	33.263.123	10.965.635	33%	28.031.020	10.386.863	37%
HR	435.700	172.018	39%	130.002	130.002	100%
IT	54.080.790	2.946.130	5%	8.707.647	2.950.976	34%
CY	22.192	14.722	66%	140.537	52.312	37%
LV	987.566	0	0%	850.644	108.894	13%
LT	589.927	389.458	66%	2.212.533	990.149	45%
LU						
HU	154.361	68.205	44%	2.268.155	1.446.403	64%
MT	0	0	0%			
NL	0	0	0%	42.195.137	12.500.488	30%
AT	3.455.606	92.050	3%	2.761.902	1.820.053	66%
PL	3.449.313	729.382	21%	7.725.213	4.173.909	54%
PT	0	0	0%	3.249.925	3.113.879	96%
RO	141.806	67.585	48%	8.059.449	2.241.879	28%
SI	1.009.264	173.810	17%	182.398	133.591	73%
SK	256.714	256.714	100%	1.497.052	1.455.846	97%
FI	43.531	13.958	32%	1.371.455	1.274.272	93%
SE	95.624	95.624	100%	4.063.419	3.959.152	97%
UK	0	0	0%	572.885.031	53.304.339	9%
Total	156.595.764	37.997.074	24%	800.473.061	190.930.165	24%

+

ANNEX 10

TOR: Examination of write-off cases in 2014						
MS	All		Acceptance	Refusal	Additional information request	Not appropriate
	N	EUR	EUR	EUR	EUR	EUR
BE	22	5.829.699,65	412.553	4.986.153	430.993	-
CZ	28	2.071.077,20	-	-	2.071.077	-
DK	6	1.488.398,24	976.391	319.090	192.917	-
DE	68	22.643.107,54	1.305.018	7.580.453	11.485.401	2.272.236
EL	4	4.120.495,34	-	4.120.495	-	-
ES	43	17.919.164,94	322.882	14.971.976	2.624.307	-
FR	6	3.908.664,93	891.772	283.862	2.733.031	-
IT	15	9.467.191,63	107.114	762.268	8.455.162	142.648
CY	1	74.443,76	-	74.444	-	-
LV	5	621.091,59	356.859	92.719	171.514	-
LT	1	243.754,83	243.755	-	-	-
HU	3	519.944,89	342.530	-	177.415	-
NL	3	499.262,43	202.602	296.660	-	-
AT	14	17.108.339,45	1.643.108	773.927	14.514.229	177.076
PL	15	2.000.545,11	-	1.300.997	699.549	-
PT	29	10.694.311,20	84.037	-	10.610.274	-
SK	4	724.489,66	97.674	86.042	540.774	-
FI	3	500.266,96	-	65.383	434.884	-
SE	2	606.921,44	606.921	-	-	-
UK	7	2.540.729,85	-	857.039	1.683.691	-
TOTAL	279	103.581.901	7.593.216	36.571.507	56.825.218	2.591.960

ANNEXES 11-15

Legenda

IRQ0: cancelled communication

IRQ2: Irregularities not reported as fraudulent

IRQ3: suspected fraud

IRQ5: established fraud

ANNEX 11

Expenditure - Irregularities reported in 2014 by Member State

Irregularity Management System																				
Reporting Year 2014																				
13 March 2015																				
number of cases																				
<i>fund</i> <i>module</i>	CAP 1848	EFF 498	CF 1828	CF 1831	ERDF 1681	ERDF 1828	ESF 1681	ESF 1828	GUID 1681	CBC IPA	HRD IPA	IPARD IPA	RegD IPA	TAIB IPA	ISPA PAA	PHARE PAA	SAPARD PAA	TIPAA PAA		total
AT	28					48		8												84
BE	11					24		64												99
BG	28	12	52			115		13		21						20	10			271
CY	21					2		3												26
CZ	52	2	66	1	10	545		398												1 074
DE	68	1			31	209	31	76												416
DK	27					4		3												34
EE	52	9	8			36		12	1											118
ES	436	12	3		6	61		101												619
FI	26	5			1	10		1	1											44
FR	175	10				103		70												358
GR	85		19	7	3	140	3	40	27											324
HR										18	2	6	1	1						28
HU	523	2	12			187		21												745
IE	133				110	6		15												264
IT	478	5			24	195	28	25	9											764
LT	117	3	21	19		77		6												243
LV	40		3			99		17												159
MK												7								7
MT	3		2			10		2												17
NL	140	1				34		9												184
PL	231	6	25		4	609		83	5											963
PT	246	14	8	1		73		17												359
RO	744	4	36			146		173		2					2	9	34			1 150
RS										3										3
SE	31	4				19		12												66
SI	24	1	5			33		6												69
SK	37	1	44	5		133	1	95								1				317
TR											11	9	2	12						34
UK	79	10			9	261		194												553
total	3 835	102	304	33	198	3 179	63	1 464	43	44	13	22	3	13	2	30	44	0		9 392

ANNEX 12

Irregularities reported in 2014 – financial amounts in EUR

Irregularity Management System																				
Reporting Year 2014																				
13 March 2015																				
irregular amount - EU-share																				
<i>fund module currency</i>	CAP 1848 EUR	EFF 498 EUR	1828 EUR	CF 1831 EUR	1681 EUR	ERDF 1828 EUR	1681 EUR	ESF 1828 EUR	GUID 1681 EUR	CBC IPA EUR	HRD IPA EUR	IPARD IPA EUR	RegD IPA EUR	TAIB IPA EUR	ISPA PAA EUR	PHARE PAA EUR	SAPARD PAA EUR	TIPAA PAA EUR	total	
AT	504 607					1 850 998		187 208												2 542 812
BE	548 098					1 650 867		13 200 630												15 399 595
BG	2 164 223	1 101 234	8 097 141			19 256 048		2 239 870		53 355						204 817	4 702 033			37 818 721
CY	468 015					161 844		151 349												781 207
CZ	2 880 206	11 744	14 849 062	726 978	13 697 240	267 859 512		30 152 171												330 176 913
DE	3 212 847	14 120			4 274 820	16 713 259	2 712 832	2 940 245												29 868 122
DK	612 333					248 443		128 624												989 400
EE	2 551 308	191 886	3 053 353			6 649 659		182 028	17 214											12 645 449
ES	25 512 419	842 444	897 076		631 120	366 879 655		13 216 329												407 979 044
FI	479 858	91 674			15 000	305 217		16 391	14 181											922 320
FR	30 756 525	991 634				22 668 933		19 290 491												73 707 583
GR	2 323 925		19 999 916	7 930 136	4 545 808	73 605 925	2 180 660	2 095 236	4 716 498											117 398 105
HR										126 389	42 166	905	1 700							171 160
HU	26 165 101	324 559	945 314			15 421 146		1 669 990												44 526 109
IE	3 489 498				52 635 670	176 168		873 812												57 175 148
IT	38 881 462	387 237			4 173 360	58 580 244	3 539 797	5 066 211	559 595											111 187 907
LT	7 455 850	50 536	28 387 921	2 252 005		5 821 203		626 701												44 594 215
LV	1 726 121		324 924			19 365 295		95 823												21 512 163
MK												71 524								71 524
MT	118 899		72 478			854 444		54 957												1 100 778
NL	26 051 920	24 892				3 006 406		4 280 132												33 363 349
PL	36 619 109	847 041	160 685 896		3 656 513	127 067 113		8 113 474	192 061											337 181 206
PT	14 629 772	999 370	931 813	13 466		22 202 957		683 612												39 460 991
RO	64 470 742	2 125 051	6 171 690			33 425 145		13 178 586		55 060					3 579 662	1 511 652	3 525 878			128 043 467
RS										23 385										23 385
SE	839 226	82 988				879 220		243 453												2 044 887
SI	1 311 507	10 620	2 289 714			13 244 098		197 801												17 053 739
SK	1 216 977	41 065	113 239 079	929 995		120 644 157	96 826	6 076 025								718				242 244 841
TR											450 330	929 321	342 405	651 360						2 373 416
UK	2 393 377	594 411			12 575 125	15 892 177		14 111 663												45 566 753
total	297 383 922	8 732 506	359 945 377	11 852 580	96 204 655	1 214 430 133	8 530 114	139 072 812	5 499 549	258 189	492 495	1 001 751	344 105	651 360	3 579 662	1 717 187	8 227 911	0		2 157 924 307

ANNEX 13

Natural resources – Classification of irregularities reported in 2014 by Member State

(The number of irregularities reported as fraudulent measures the results of efforts by Member States to counter fraud and other illegal activities affecting EU financial interests; it should not be interpreted as the level of fraud in their territories)

Irregularity Management System							
Reporting Year 2014							
13 March 2015							
classification of irregularities							
<i>fund module classification</i>		CAP 1848				EFF 498	
	blank	IRQ2	IRQ3	IRQ5	blank	IRQ2	IRQ3
AT		28					
BE		10		1			
BG		17	9	2		7	5
CY		19	2				
CZ		48	4			2	
DE		62	6			1	
DK		24	3				
EE		48	4			9	
ES		417	19			12	
FI		26				5	
FR	1	157	16	1	1	8	1
GR		73	12				
HR							
HU		345	178			2	
IE	3	97	30	3			
IT	6	418	54			2	3
LT		111	6			3	
LV		29	11				
MK							
MT		2	1				
NL	1	139				1	
PL		153	75	3		6	
PT		240	6			13	1
RO		691	46	7		3	1
RS							
SE	1	29	1			4	
SI	1	20	3			1	
SK		37				1	
TR							
UK		74	5			10	
total	13	3 314	491	17	1	90	11

ANNEX 14

Cohesion policy – Classification of irregularities reported in 2014 by Member State

The number of irregularities reported as fraudulent measures the results of efforts by Member States to counter fraud and other illegal activities affecting EU financial interests; it should not be interpreted as the level of fraud in their territories)

Irregularity Management System																			
Reporting Year 2014																			
13 March 2015																			
classification of irregularities																			
fund module classification	CF			ERDF			ESF			GUID									
	1828	1831	1681	1828	1681	blank	1828	1681	blank	1828	1681	blank	1828	1681	blank	1828	1681	blank	1828
	IRQ2	IRQ3	IRQ2	IRQ2	IRQ3		IRQ2	IRQ3	IRQ5	IRQ2	IRQ3		IRQ2	IRQ3	IRQ5	IRQ2	IRQ3	IRQ5	
AT							48						8						
BE						1	21	2					63	1					
BG	52						113	2					12	1					
CY							1	1					3						
CZ	60	6	1	8	2	1	519	25					393	5					
DE				28	3		196	13		6	25		52	23	1				
DK							4						3						
EE	7	1					34	2					11	1		1			
ES	3			6		2	59						97	4					
FI				1			10						1				1		
FR						1	102						67	3					
GR	19		7	2	1	2	136	2			3	2	37	1		21	5	1	
HR																			
HU	12						157	30					21						
IE				110			6						15						
IT				20	4	2	191	2		28		1	22	1	1	9			
LT	21		19				75	2					6						
LV	2	1					77	22					13	4					
MK																			
MT	2						10						2						
NL							34						6	3					
PL	20	5		4			573	35	1				80	3		4	1		
PT	8		1				72	1					17						
RO	36						133	13					161	12					
RS																			
SE							18	1					11	1					
SI	5						30	1	2				2	4					
SK	44		5				129	4			1		89	5	1				
TR																			
UK				9		1	258	2					186	8					
total	291	13	33	188	10	10	3 006	160	3	34	29	3	1 378	80	3	35	7	1	