1. Basic Information

1.1 CRIS Number: 2005/017-488.05.02

Twinning No.: PL2005/IB/JH/02

1.2 Title: Strengthening of the protection of the EU financial interests.

1.3 Sector: Justice and Home Affairs, Financial Control

1.4 Location: Poland

2. Objectives

2.1 Overall Objective(s):

Strengthening of the protection of the EU financial interests

2.2 Project purpose:

1. Transposition of the GAFU structures on the regional level;
2. Strengthening of the institution of the coordinators established within the Police structures on the regional level;
3. Strengthening the cooperation between the relevant structures within the Police and Treasury Control Offices on the regional level;
4. Supporting the establishment of efficient structures responsible for vindication and recovery of funds;
5. Securing the ITR Office access to the information gathered by the enforcement agencies conducting the preparatory proceedings in order to use them in administrative investigations and coordinating proceedings conducted by the ITR officers;
6. Strengthening the cooperation between the agencies acting in the framework of Multidisciplinary Working Group for Cooperation of the Governmental Administration Bodies in Protection the Polish and EU Financial Interests on the External EU Border. Training officers of Border Guards, Customs, Police from the border areas on matters related to frauds detrimental to the EU financial interest (smuggle of cigarettes, fuel).

2.3 Justification

In the Comprehensive Monitoring Report of 5th November 2003 on the Poland’s preparation for the membership, EU experts indicated the need of the substantial reinforcement of the Polish AFCOS and ensuring the proper level of co-ordination with other law enforcement bodies “The administrative and operational capacity of the anti fraud co – ordination services (AFCOS) with other relevant institutions and bodies, needs to be substantially reinforced and demonstrated by concrete and convincing actions”.

Additionally, in the report of the Second Monitoring Mission (chapter 24. Justice and Home Affairs) the need of the establishing of links between the above-mentioned services was stressed:
“One of the most urgent tasks of the Multidisciplinary Team for Combating Fraud against the Republic of Poland or the European Union will be establishing a proper and clear liaison between the ITR and other law enforcement agencies”.

In the SIGMA Report of 18th March 2004 visiting experts indicated significant progress, which was made by the Polish structure AFCOS in order to create efficient system of protection the European Union financial interest in Poland. However, EU experts also indicated the need of strengthening cooperation between the services dealing with combating economic frauds and improper use of EU funds. Coordination of the work with different services should be strengthened at the strategic, as well as operational level.

The system of protection of the EU financial interests in Poland is based on the institution of the Government Plenipotentiary for Combating Frauds against Republic of Poland or European Union and two assisting structures: The Multidisciplinary Team for Combating Frauds against Republic of Poland or European Union (GAFU) and the Bureau for International Treasury Relations within the Ministry of Finance (AFCOS). The Plenipotentiary’s post was established on the basis of the Council of Ministers Regulation of 1st of July 2003.

In order to strengthen the activities of the Multidisciplinary Team GAFU by the decisions of its President, there were created six working groups preventing and fighting the wide range of frauds and crimes harming the financial interests of the EU and Poland. Members of these groups represent services that are responsible for the protection of the EU financial interests. There is a constant need to strengthen the operational ability of those working groups and the direct cooperation between the services.

At the present moment the GAFU Team is acting on the central level. To strengthen the effectiveness of the operations concerning investigation and fighting crimes detrimental to EU and Poland financial interests, the analogical relevant structures at the local level need to be created. Moreover, to those new local structures the procedures and the cooperation programs that are already existing at the central level should be implemented.

All these actions are projected to establish the methodology and practice of cooperation between the law enforcements services in all the places where the specific investigations are conducted.

In order to ensure the relevant level of combatting frauds and irregularities detrimental to the EU and Poland financial interests, by the Decision of the Head of the Polish Police of 28th of September 2004, in the regional Police structures (within the Central Investigation Office, the Economic Crime and Corruption Units of the Police) special coordinators were nominated to be responsible for the above mentioned cases conducted both by the ITR and enforcement agencies referring to the specific fraud detrimental to the EU financial interest. According to that, there is a pressing need to establish and implement relevant training programme for all these coordinators and the Police officers working within the framework of the Police structure responsible for the fighting with the economic crime affecting the EU budget.
On 11th of January 2005 the Head of Police and the General Inspector of the Treasury Control signed an agreement concerning cooperation between the Police and the Treasury Control bodies. In order to implement the Agreement, it is necessary to establish the relevant level of cooperation between the Treasury services and law enforcement services at the local level, ensuring the exchange of information, as well as trainings.

Having in mind the effective enforcement and combating the frauds and irregularities against the EU funds, the GAFU Working Group “Irregularities” elaborated the instruction concerning the legal safeguard of the recovery of the illegally spent EU funds and its vindication and thus, using the power and authority of the Plenipotentiary this instruction was addressed to the structures responsible for implementing it. Having in mind that the structures responsible for the vindication have not yet been created (it is not excluded that there will be created specialized independent Governmental Agency), it is necessary to obtain the support on that field from the other Member States.

Furthermore, having in mind future accession of Poland to the Schengen Treaty, it is indispensable to elaborate relevant methods of cooperation between the services working within the GAFU Multidisciplinary Working Group for Cooperation of the Governmental Administration Bodies in Protection the Polish and EU Financial Interest’s on the External EU Borders.

The above-mentioned circumstances represent the general trends observed in the EU to further develop the fight against economic crime and the mutual assistance between the MS in this area (Proposal of the Regulation of the European Parliament and the Council on mutual administrative assistance for the protection of the financial interests of the Community against fraud and any other illegal activities COM (2004) 509 final). A more efficient combatting economic crimes detrimental to the EU financial interest is also present in the European Constitution under Article III-274 on the European Prosecutor.

3. Description

3.1 Background and justification:

ITR Bureau is the only body in Poland which task is to coordinate fulfilling the obligation according to art 280o. of the EC Treaty dealing with the protection of the Community Financial Interest. Works initiated within the project are designed to strengthen the effectiveness of the GAFU Team and its Working Groups.

The protection of the EU financial interests is an obligation of the Polish Government based on the negotiation field No 24: Justice and Home Affairs and No 28 Financial Control. The effective protection of the Community financial interests can be reached thanks to cooperation of many services.

ITR Bureau plays a double role in the structure of the Polish administration.
1) It coordinates the works of the services responsible for the protection of the EU financial interests through its institutional system, namely The Governmental Plenipotentiary for Combatting Fraud against Poland or the European Union;

2) As a Treasury Control unit, it supervises the EU funds financial control.

Counting the fact that in the TF project for 2004 Bureau is to continue and realize the component related to the prevention and counteraction of frauds and irregularities detrimental to the EU financial interest (risk analysis, treasury controls etc), the activities described within the project TF 2004 Bureau will be directed towards developing and supporting the enforcement component and fighting above mentioned crimes.

The protection of the domestic and European financial interests requires strict cooperation and coordination between the various services. The GAFU Team was created in order to secure such coordination. Its effectiveness is thus crucial for securing the protection of the EU funds. According to the reports issued by the Community side, this structure and its cooperation with law enforcement services need to be more developed:

- According to the report of the Second Monitoring Mission (chapter 24, Justice and Home Affairs): “One of the most urgent tasks of the Multidisciplinary Team for Combatting Fraud against the Republic of Poland or the European Union will be establishing a proper and clear liaison between the ITR and other law enforcement agencies”;

- According to the Comprehensive Monitoring Report of 5th November 2003 on the Poland’s preparation for the membership, EU experts indicated that “The administrative and operational capacity of the anti fraud co – ordination services (AFCOS) with other relevant institutions and bodies, needs to be substantially reinforced and demonstrated by concrete and convincing actions”.

Its operational functions should be strengthened. According to that, GAFU structures are to be activated at the local level, just to secure fast realization of the directives adopted on the central level and moreover- to elaborate a tactics of cooperation of the services within the framework of GAFU at the regional level, in the specific cases.

Simultaneously, for the purpose of securing the relevant level of combating the crimes affecting the EU financial interest, it is necessary to strengthen the cooperation between the ITR Bureau and those services as well as between the Treasury Control units responsible for the control of spending of the EU funds (paragraph 6 of the Agreement)

Trainings must be ensured for the coordinators and furthermore there is a need to have an exchange of information institutionalized when it comes to the local services and structures (e.g. Police) in the numbered cases.

In case of illegal use of the public Community funds awarded to Poland and failing of the further vindication this amount, Poland may become the payer net in the light of the UE budget in its membership in the first three years. The already drafted and to be implemented model of monitoring and controlling the EU funds is relatively tight and thus allows for the early discovery and detection of the irregularities. Apart from the
effectiveness in revealing the irregularities, effectiveness of the recovery plays the fundamental role in the way that the domestic budget is not responsible for balancing the debt resulted from the irregularities or crime activity.

As Poland is a transit country with the longest land borders, this country is exposed to almost all the activities concerning economic crime and frauds. The aim of the established recently Multidisciplinary working Group for Cooperation of the Governmental Administration Bodies in Protection the Polish and EU Financial Interest’s on the External EU border is to minimize illegal activities performed on this border.

3.2 Linked activities:
1. PHARE projects:
This program is related with following PHARE programmes:

- PHARE PL 9904.05 Development of a horizontal anti-fraud structure – Phase 1;
- PHARE PL 0003.04 Internal financial control at regional level (the trainings for employees of units for control of EU funds located within the Treasury Control Offices);
- Multi-Country Programme PHARE MCP PH 1412/2002 Anti – Fraud program for the protection of financial interests of the Community; The TF 2005 will add new value to the current project as it will continue the trainings for the law enforcement agencies in scope of combatting fraud and irregularities detrimental to the EU financial interest;
- Transition Facility 2004. The TF 2004 will cover the activities related to prevention of fraud detrimental to the EU financial interest whereas TF 2005 will be devoted to matters related with prosecution of committed crimes.

2. Other projects:
None

3.3 Results:

1. GAFU structures transferred at the regional level. Elaborated the methodology and relevant standards of cooperation between the law enforcement agencies and control services acting in the framework of the GAFU system, at the regional level and in specific cases of proceedings concerning combatting fraud and irregularities detrimental to the EU financial interest (frauds and irregularities related to use of structural and rural funds, tax frauds, smuggle of alcohol and cigarettes);
2. Relevant number of the coordinators established within the Police structures at the regional level dealing with frauds and irregularities detrimental to the EU financial interests trained;
3. Elaborated and implemented information exchange procedures between the Police and Treasury Control Offices at the regional level. Officers trained and smooth cooperation implemented between both services acting
within joint coordination teams of the Police and the Treasury Control Boards;
4. Structures responsible for vindication and recovery of funds established and operational;
5. Secured access of the ITR Office to the information gathered by the enforcement agencies conducting the preparatory proceedings in cases of fraud affecting EU financial interest (frauds and irregularities related to use of structural and rural funds, tax frauds); elaborated system of reporting from the enforcement agencies to the ITR Bureau in terms of criminal data, stage of the proceeding conducted and measures taken against individuals; implemented agreement between the Head of Police and the General Inspector of the Treasury Control;
6. Trained officers of Border Guards, Customs, Police that act in the framework of Multidisciplinary Working Group for Cooperation of the Governmental Administration Bodies in Protection the Polish and EU Financial Interests on the External EU Border on matters related to frauds detrimental to the EU financial interest (the cases of misuse of structural and rural funds, VAT frauds, smuggling of alcohol and cigarettes).

3.4 Activities:

1. Creating gradually in each voivodship Working Groups responsible for developing the cooperation between the law enforcement services, paying authorities and local authorities in the scope of protection of EU financial interest. Elaborating the cooperation procedures between the law enforcement services participating in the local GAFU structures in specific cases of proceedings concerning combatting fraud and irregularities detrimental to the EU financial interest (cases of frauds and irregularities related to use of structural and rural funds). Conducting the trainings for the law enforcement officers acting in the local GAFU structures in the scope of combatting crimes of misuse of structural and rural funds;
2. Training programme for the coordinators established within the Police structures on the regional level on combatting frauds and irregularities related to use of structural and rural funds,
3. Elaborating the procedures of cooperation between the Police and treasury control services in order to ensure more efficient combatting of fraud detrimental to the EU financial interest (procedures of information exchange, methodology of cooperation and tactics of combatting crimes affecting the financial interest of the EU, developing methods of detecting above-mentioned crimes, developing the efficiency of cooperation between the representatives of Police and treasury control services acting in the framework of joint coordination teams);
4. Implementation of the recovery and vindication system in Poland on the basis of best practice and experiences of Member States (conceptional and practical aspects); Trainings and seminars conducted both on the central (control services, managing institutions, intermediary bodies, paying authorities, banks representatives) and local level (control services, local authorities, paying authorities, banks representatives).
5. Support the development of cooperation between the ITR Office and enforcement agencies in order to obtain access to the information gathered
by the agencies conducting the preparatory proceedings. Prepare signing special agreements covering matters of information exchange and system of reporting to the ITR (the cases of misuse of structural and rural funds, VAT frauds, duties);
6. Trainings for the representatives of the services acting in border areas. Strengthened cooperation between them. Training officers of Border Guards, Customs, Police from the border areas on matters related to transborder crimes detrimental to the EU financial interest (smuggle of cigarettes, fuel).

Twinning
One long-term twinning expert (for the period of a maximum 16 months) will:
- co-ordinate the work of medium/short-term experts,
- elaborate the study on the protection of the EU financial interest in Poland,
- elaborate the training programmes for the above-mentioned target groups,
- provide constant support and assistance for the ITR Bureau,
- strengthen the operational capacity of the six Multidisciplinary Working Groups that have been established within the GAFU Team.

The main workplace of the long-term expert will be the Ministry of Finance. He/She will co-operate with the Bureau for International Treasury Relations, which provides technical assistance to the Government Plenipotentiary for Combating Frauds against Republic of Poland or European Union budgets and to the Multidisciplinary Team for Combating Fraud (GAFU). The case being the expert will participate in the works of Multidisciplinary Working Groups as an advisor.

The expert should have deep knowledge and relevant experience in the field of:
- Protection of EU financial interests/detection of irregularities/combating frauds,
- Conducting the investigations/proceedings in the scope of combatting economic crime, especially fraud and irregularities detrimental to the EU financial interests,
- Experience in analysing the legal systems in order to develop the cooperation between the services (adopting new legal instruments allowing to strengthen the cooperation between the services: acting in the framework of local GAFU working groups, Police and treasury control services, law enforcement services and the ITR Bureau),
- Mutual assistance and international co-operation in customs and fiscal matters,

➢ Medium/short–term experts able to solve some particular problems in the area of combating frauds against the EU budget:
- Analysis of the planned changes in the Polish and European legal system in the light of the possible implementation of a new elements to the Polish system of combating frauds and irregularities in the specific areas: reporting by the enforcement services and access by the ITR Bureau to information coming out on the conducted investigations by the enforcement services;
- Elaborating cooperation procedures for the representatives of the services participating in the local GAFU structures;
- Support the creation of recovery funds system;
- experience in conducting the investigations in cases of fraud and irregularities affecting the EU financial interest (the use of structural and rural funds, VAT frauds, etc.) for the enforcement services’ functionaries;
- experience in exchange of information and cooperation between enforcement services;
- exchange of knowledge and information on suppressing illegal activities such as: smuggling of alcohol, cigarettes, petrol, textiles, tax fraud, also by using the abilities gained from the Polish-German cooperation on the Polish western border;
- Crimes related to the economic transactions (avoiding the taxies and custom obligations, tax fraud or the smuggling on the wide range).

3.5. Lessons learned:
This project will build upon the OLAF Multi-Country Programme and take its results into account. Poland has benefited substantially from previous projects (PHARE PL 9904.05 Development of a horizontal anti-fraud structure – Phase 1; PHARE PL 0003.04 Internal financial control at regional level - the trainings for employees of units for control of EU funds located within the Treasury Control Offices; Multi-Country Programme PHARE MCP PH 1412/2002 Anti – Fraud program for the protection of financial interests of the Community). Thanks to the assistance of the EU, the system of the protection of the EU financial interest in Poland was strengthened, ITR Bureau was created, the level of knowledge of staff working in different services dealing with the fraud and irregularities detrimental to the EU financial interest was significantly raised. However the previous projects dealt mainly with the services responsible for the fraud prevention (treasury control, customs, etc.). The objective of this fiche is to strengthen structures that are responsible for enforcement and combatting frauds and irregularities committed. There is a need to enhance the cooperation between the financial control services which deal with fraud prevention and law enforcement bodies responsible for combatting frauds. An update of tasks to be carried out might be necessary on the basis of the Interim Report elaborated during the Transition Facility 2004 project.

4. Institutional Framework
The Bureau for International Treasury Relations within the Ministry of Finance, the partner of the European Anti – Fraud Office (OLAF) in Poland. Polish law enforcement services cooperating with the ITR in the framework of the GAFU Team.

5. Detailed Budget

<table>
<thead>
<tr>
<th>€M</th>
<th>Transition Facility support</th>
<th>Co-financing</th>
<th>Total cost (TF plus cofinancing)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td>Total Transition Facility (=I+1B)</td>
</tr>
<tr>
<td>Contract 1</td>
<td>1,06685</td>
<td>1,06685</td>
<td>0,05615</td>
</tr>
<tr>
<td>Total</td>
<td>1,06685</td>
<td>1,06685</td>
<td>0,05615</td>
</tr>
</tbody>
</table>
Strengthening of the protection of the EU financial interests

(*) contributions from National, Regional, Local, Municipal authorities, FIs loans to public entities, funds from public enterprises

(**) private funds, FIs loans to private entities

The amount for co-financing for Contract 1 is entirely parallel co-financing. All costs for study visits outside Poland as part of the Twinning will be borne by the beneficiary country.

In the case of Joint Co-financing, where the final overall cost is lower than foreseen in the project fiche, the National Public and Transition Facility Co-financing are reduced proportionally so as to maintain the agreed rate of co-financing. In the case of Parallel Co-financing, where the final cost is lower than foreseen in the project fiche, it must be shown that the overall objectives of the project have been fully achieved.

6. Implementation Arrangements

6.1 Implementing Agency

- **PAO**: Tadeusz Kozek, Under-secretary of State at the Office of the Committee for European Integration, Aleje Ujazdowskie 9, 00-918 Warsaw; Phone: +48 22 455 52 41, fax: +48 22 455 52 43;
- **CFCU**: Foundation “Cooperation Fund”, Górnośląska 4a, 00 – 444 Warsaw, Phone 48 22 622 00 31, fax 48 22 622 95 69;

The CFCU is responsible for handling tendering, contracting and payments of contracts on behalf of the Ministry of Finance.

6.2 Twinning

- Adam Hempel, Director of the Bureau for International Treasury Relations, Ministry of Finance, ul. Świętokrzyska 12, 00-916 Warsaw, phone +48 22 694 3830, fax +48 22 694 35 67; mail: Adam.Hempel@mofnet.gov.pl
- Marcin Bonislawski, Policy and Project Management Unit, Bureau for International Treasury Relations, Ministry of Finance, ul. Świętokrzyska 12, 00-916 Warsaw, phone: +48 22 694 33 53, fax: +48 22 694 35 67, mail: Marcin.Bonislawski@mofnet.gov.pl

6.3 Non-standard aspects

N/A

6.4 Contracts

- Twinning – 1.066.850 EUR from Transition Facility, 56.150 EUR of parallel co-financing;

7. Implementation Schedule

7.1 Start of first tender: IV 2005
7.2 Start of project activity: I quarter 2006
7.3 Project Completion: I quarter 2008
8. **Sustainability**
It is foreseen to assure the sufficient financial resources within the scope of co-financing the *transition facility* programme.

9. **Conditionality and sequencing**
- Preparation of twinning covenant.
- Signing of the Twinning Covenant;
- Signing the TA contracts;
- Assistance for the Bureau for International Treasury Relations;
- Training;
- Feasibility study concerning the transfer of GAFU to the regional level;
- Implementation of the TA contracts.
ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format (compulsory)
2. Detailed implementation chart (compulsory)
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory)
4. List of relevant Laws and Regulations (optional)
### Annex 1: Logframe matrix

#### LOGFRAME PLANNING MATRIX FOR THE PROJECT

<table>
<thead>
<tr>
<th>Programme name and number</th>
<th>Contracting period expires</th>
<th>Disbursement period expires</th>
<th>Total budget</th>
<th>Transition Facility Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthening of the protection of the EU financial interests</td>
<td>IVQ 2007</td>
<td>IVQ 2008</td>
<td>1 123 000 euro</td>
<td>1 066 850 euro</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
</table>
| Strengthening of the protection of the EU financial interests in Poland | • Information transmitted to the EU Commission on the results of the investigations on cases of fraud or irregularities  
• Discussion on the actual fraud cases within the relevant EC committees (follow up) | Commission reports and Decision on financing;  
Reports of Experts;  
Reports of Polish authorities and press release;  
Official publications. |

<table>
<thead>
<tr>
<th>Project purpose (Immediate Objectives)</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
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<tbody>
<tr>
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</table>
1. Transposition of the GAFU structures on the regional level;
2. Strengthening of the institution of the coordinators established within the Police structures on the regional level;
3. Strengthening the cooperation between the relevant structures within the Police and Treasury Control Offices on the regional level;
4. Supporting the establishment of efficient structures responsible for vindication and recovery of funds;
5. Securing the ITR Office access to the information gathered by the enforcement agencies conducting the preparatory proceedings in order to use them in administrative investigations and coordinating proceedings conducted by the ITR officers;
6. Strengthening the cooperation between the agencies acting in the framework of Multidisciplinary Working Group for Cooperation of the Governmental Administration Bodies in Protection the Polish and EU Financial Interests on the External EU Border. Training officers of Border Guards, Customs, Police from the border areas on matters related to frauds detrimental to the EU financial interest (frauds and irregularities related to use of structural and rural funds, tax frauds, smuggle, etc).

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Number of cases transmitted to the Court related to fraud and irregularities – reports made and available during the implementation period of the project. Efficiency will be estimated in relation with a number of cases conducted;</td>
<td>Constant growth of recovered amount</td>
<td>Twinning covenant signed;</td>
<td>Relevant experts available;</td>
</tr>
<tr>
<td>- Amount of funds recovered – reports made during the implementation period of the project. Efficiency of this will be estimated on the basis of sums concerned in cases conducted;</td>
<td></td>
<td>Trained officials remain in function or – in case of leaving - transmit their knowledge to other officials;</td>
<td>Real co-operation of the partners;</td>
</tr>
<tr>
<td>- Number of notifications coming from the law enforcement agencies to the ITR Office – reports made during the implementation of the project. Efficiency will be estimated on the basis of a number of cases conducted;</td>
<td>Implementing the conclusions and recommendations delivered by experts</td>
<td>Relevant information made available;</td>
<td>No legal obstacle for the exchange of the needed information and data;</td>
</tr>
<tr>
<td>- Recommendations provided by experts by the end of the project;</td>
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</tbody>
</table>
**Results:**

1. GAFU structures transferred at the regional level. Elaborated the methodology and relevant standards of cooperation between the law enforcement agencies and control services acting in the framework of the GAFU system, at the regional level and in specific cases of proceedings concerning combating fraud and irregularities detrimental to the EU financial interest (frauds and irregularities related to use of structural and rural funds, tax frauds, smuggling of alcohol and cigarettes);

2. Relevant number of the coordinators established within the Police structures at the regional level dealing with frauds and irregularities detrimental to the EU financial interests trained;

3. Elaborated and implemented information exchange procedures between the Police and Treasury Control Offices at the regional level. Officers trained and smooth cooperation implemented between both services acting within joint coordination teams of the Police and the Treasury Control Boards;

4. Structures responsible for vindication and recovery of funds established and operational;

5. Secured access of the ITR Office to the information gathered by the enforcement agencies conducting the preparatory proceedings in cases of fraud affecting EU financial interest (frauds and irregularities related to use of structural and rural funds, tax frauds); elaborated system of reporting from the enforcement agencies to the ITR Bureau in terms of criminal data, stage of the proceeding conducted and measures taken against individuals; implemented agreement between the Head of Police and the General Inspector of the Treasury Control;

6. Trained officers of Border Guards, Customs, Police that act in the framework of Multidisciplinary Working Group for Cooperation of the Governmental Administration Bodies in Protection the Polish and EU Financial Interests on the External EU Border on matters related to frauds detrimental to the EU financial interest (the cases of misuse of structural and rural funds, VAT frauds, smuggling of alcohol and cigarettes).

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<tbody>
<tr>
<td></td>
<td>Number of cases transmitted to the Court related to fraud and irregularities – reports made and available during the implementation period of the project. Efficiency will be estimated in relation with a number of cases conducted</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amount of funds recovered – reports made during the implementation period of the project. Efficiency of this will be estimated on the basis of sums concerned in cases conducted</td>
<td></td>
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<td>Number of notifications coming from the law enforcement agencies to the ITR Office – reports made during the implementation of the project. Efficiency of this will be estimated on the basis of sums concerned in cases conducted</td>
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</tr>
<tr>
<td></td>
<td>Recommendations provided by experts by the end of the project</td>
<td></td>
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</tbody>
</table>

- Commission reports and Decision on financing;
- Reports of Experts;
- Reports of Polish authorities and press release;
- Official publications

- Twinning covenant signed;
- Relevant experts available;
- Co-financing available;
- Adequate selection of participant in training session;
- Relevant information made available;
- No legal obstacle for the exchange of the needed information and data.
Activities

1. Creating in each voivodship Working Groups responsible for developing the cooperation between the law enforcement services, paying authorities and local authorities. Elaborating the cooperation procedures between the law enforcement services participating in the local GAFU structures in specific cases of proceedings concerning combating fraud and irregularities detrimental to the EU financial interest (cases of frauds and irregularities related to use of structural and rural funds).

Conducting the trainings for the law enforcement officers acting in the local GAFU structures in the scope of combatting crimes of misuse of structural and rural funds;

2. Training programme for the coordinators established within the Police structures on the regional level on combatting frauds and irregularities related to use of structural and rural funds,

3. Elaborating the procedures of cooperation between the Police and treasury control services in order to ensure more efficient combatting of fraud detrimental to the EU financial interest (procedures of information exchange, methodology of cooperation and tactics of combatting crimes affecting the financial interest of the EU, developing methods of detecting above-mentioned crimes, developing the efficiency of cooperation between the representatives of police and treasury control services acting in the framework of joint coordination teams);

4. Implementation of the recovery and vindication system in Poland on the basis of best practice and experiences of Member States (conceptional and practical aspects); Trainings and seminars conducted both on the central (control services, managing institutions, intermediary bodies, paying authorities, banks representatives) and local level (control services, local authorities, paying authorities, banks representatives);

5. Support the development of cooperation between the ITR Office and enforcement agencies in order to obtain access to the information gathered by the agencies conducting the preparatory proceedings. Prepare signing special agreements covering matters of information exchange and system of reporting to the ITR (the cases of misuse of structural and rural funds, VAT frauds, duties);

6. Trainings for the representatives of the services acting in border areas. Strengthened cooperation between them. Training officers of Border Guards, Customs, Police from the border areas on matters related to transborder crimes detrimental to the EU financial interest (smuggle of cigarettes, fuel).

<table>
<thead>
<tr>
<th>Objectively Verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>
Twinning covenant;  
1 Long-term expert;  
Preliminary study to determine the profiles number and qualification of the short/medium terms experts and the precise content of individual actions.  
Relevant experts available.

<table>
<thead>
<tr>
<th>Preconditions</th>
</tr>
</thead>
</table>
| Funds available;  
Twinning covenant concluded. |
## Annex 2-3: Implementation, contracting and disbursement schedule

<table>
<thead>
<tr>
<th>Date of Drafting</th>
<th>2005-2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning Period</td>
<td>2005-2007</td>
</tr>
</tbody>
</table>

| Budget Allocation Cost Estimate | 1,067 (in MEUR) |

<table>
<thead>
<tr>
<th>Implementation schedule</th>
<th>D</th>
<th>D/C</th>
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### Key:
- D = design of sub-projects
- C = tendering and contracting
- I = contract implementation and payment

* show amounts in MEuro increasingly