



EIPA | European Institute of Public Administration



European Commission



CPVA | Central project management agency


Cooperation with OLAF. Reporting of irregularities.

Dr. Andon Tashukov

The training has been organised by EIPA and CPVA under the Framework Contract Nr 2023CE160AT004.

5 February 2024

1




European Commission

Day 1


Cooperation with OLAF. Reporting of irregularities.

- Cooperation between national authorities and OLAF
- Reporting of Irregularities
- PACA (primary administrative or judicial finding)



EIPA | European Institute of Public Administration

The training has been organised by EIPA and CPVA under the Framework Contract Nr 2023CE160AT004. The opinions expressed are those of the contractor only and do not represent the EC's official position.



CPVA | Central project management agency

2



European Commission

Cooperation between national authorities and OLAF






EIPA
European Institute of Public Administration



CPVA
Central project management agency

3



European Commission

Practical guide OTSC (On the spot checks)

- 1) Gathering and expanding information
- 2) Provision of participants
- 3) Update of the information of the on-going pre-trial proceedings and prosecution checks
- 4) Interview preparation
- 5) Final On-the-spot Check Plan
- 6) Work meeting at AFCOS Directorate
- 7) Starting the on-the-spot check
- 8) On-the-spot check core activities
- 9) Finalizing the On-the-spot Check
- 10) Analysis on the results

AFCOS and Ministry of Interior databases, Commercial Register, Irregularity Register, Address visit

Logistical support (PC, technics, cars), economic operator, Prosecution's office, Local police authorities, **Public Financial Inspection Agency**, Other competent authorities

By AFCOS, Managing authority, Collection of documents


Must be communicated to the Minister of Interior

Between OLAF inspectors, head of Unit OC and AFCOS


Written authorization, Identity of team, Purpose and scope of OTSC

Operative center and instant support, all kind of documentation; **computer data**; physical checks as to nature of quantity of goods; budgetary and accountant documents, documentation of the project etc.

Report of OTSC, objection and comments, work meeting in AFCOS

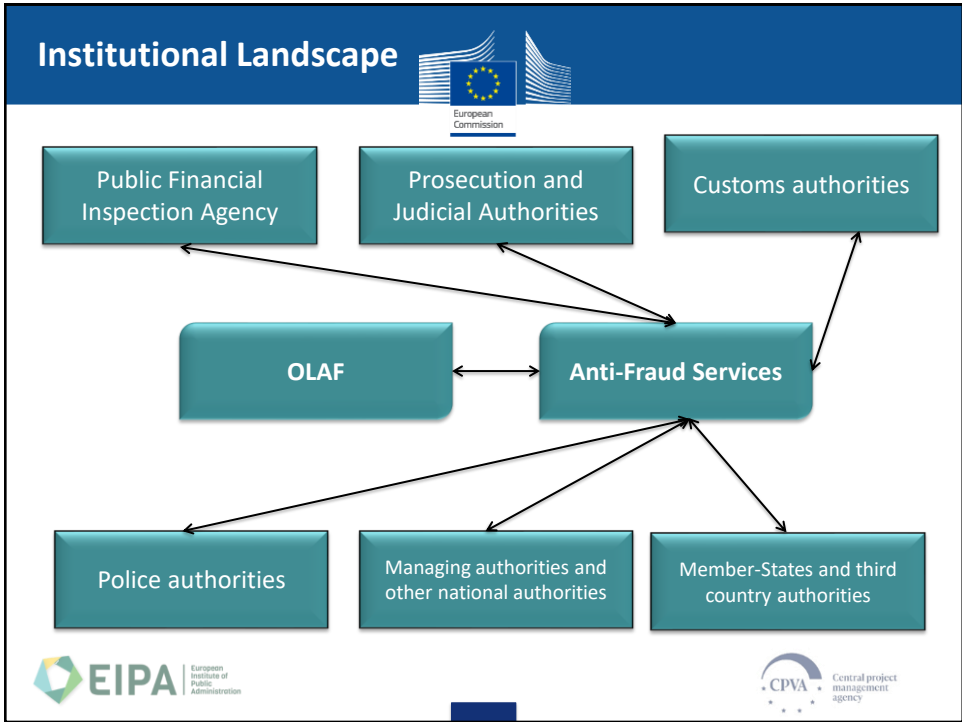


EIPA
European Institute of Public Administration

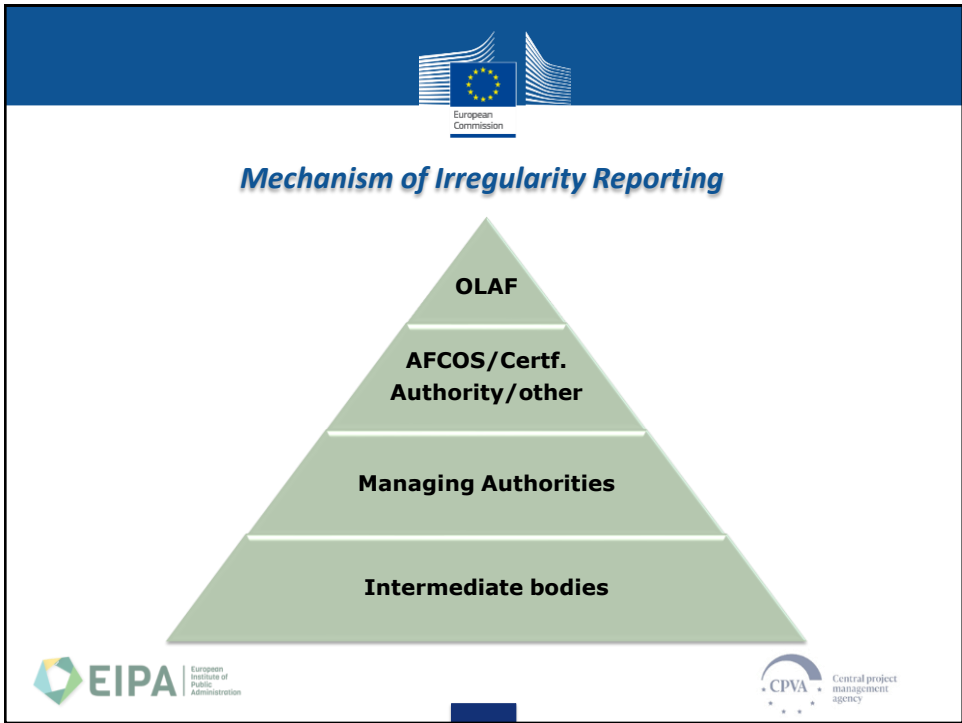


CPVA
Central project management agency


4



5





6





Reporting of Irregularities – Aim of Reporting

- Reporting can vary significantly. Information includes the provision infringed, the amounts in question, the practices used to commit the irregularity, the parties involved, whether the detected irregularity constitutes 'fraud' etc.
- Functions: It is a **preventive measure** to support proactive risk analysis, and it also **allows administrative and judicial monitoring** of action taken by Member States.



7

PACA – Primary administrative or judicial finding

Requisites for PACA:

- **A document in writing (written assessment):** a report, memorandum, resolution, recovery order, management verification report, check list any document with facts of irregularity
- **An assessment by a competent authority;**
- **A conclusion that an irregularity has been committed.**

8




Types of Reporting

- In EU legislation the deadlines for meeting the reporting obligation vary, based on the type of the irregularity report (initial; follow-up or special report).
- **Initial** - Within two months following the end of each quarter (counting from the PACA).
- **Follow up** - *as soon as possible after obtaining the relevant information (In initiation, abonnement or conclusion of proceedings)*
- **Immediate** – if other MS is concerned
- **Limitation period** – no envisaged (programme). In suspicion of fraud – depends on National Legislation.




9





Closing and cancelling the irregularity reporting

- **Canceling**: if the case did not constitute an irregularity
- **Closing**: when all proceedings and procedures are concluded on national level, including the reimbursement to the EU Budget.

Examples:

1. The beneficiary **recovers** the unduly paid **sums**
2. the **financial correction procedure** is finalised;
3. The procedures are concluded with final **administrative or judicial act**
4. If the **court** says there was not an irregularity
5. If the **beneficiary fulfills its obligation** that lead to the irregularity
6. **Removal** from the **trade register** of the beneficiary
7. the **MA discovers** the irregularity **before payment** and the funding agreement is cancelled or the beneficiary agrees to cover the financial consequences
8. **New findings** opposite to the old ones

10