



COMMISSION OF THE EUROPEAN COMMUNITIES

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**COMMUNICATION FROM THE COMMISSION**

**Protecting the Communities' financial interests**

**Fight against fraud**

**Action Plan for 2004-2005**

# COMMUNICATION FROM THE COMMISSION

## Protecting the Communities' financial interests

### Fight against fraud

#### Action Plan for 2004-2005

Following along the same lines as its 2001-2003 Action Plan<sup>1</sup>, the Commission's 2004-2005 Action Plan on the protection of financial interests and the fight against fraud calls for the continued implementation of the overall strategic approach<sup>2</sup> adopted by the Commission on 28 June 2000, which defined the broad guidelines for the Community and the Member States for the five years ahead (2001 to 2005).

This overall strategic approach drew its legitimacy from the new Article 280 of the EC Treaty, which entered into force with the Amsterdam treaty and set the European Community ambitious objectives concerning the protection of financial interests and the fight against fraud. Article 280 EC also provides a new legal basis for taking the necessary measures to prevent and counter fraud and all other illegal activities adversely affecting the Communities' financial interests. The first practical application of this new legal basis was the adoption of the two Council Regulations concerning investigations conducted by the European Anti-Fraud Office (OLAF)<sup>3</sup>, which was set up by a Commission Decision in 1999<sup>4</sup>. The creation of the Office constituted a significant new step in the fight against fraud, and the opportunities it provides form the basis of the Commission's overall strategic approach. This approach also takes account of the specific measures to protect financial interests envisaged in the White Paper on the administrative reform of the Commission<sup>5</sup>. These measures are aimed at mobilising all the Commission's departments for the protection of the Communities' financial interests.

The overall strategy is thus to encourage a culture of reinforced cooperation between all the players concerned and a combined policy of prevention, follow-up (in particular financial) and effective sanctions.

Four main strategic guidelines were defined in this overall approach:

- *an overall anti-fraud legislative policy* (making regulations more effective and consistent)
- *a new culture of cooperation* (full participation of and collaboration between national and Community authorities)

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<sup>1</sup> Commission communication (COM (2001) 254 final, 15.5.2001).

<sup>2</sup> Commission communication on the *Protection of the Communities' financial interests, Fight against Fraud, For an overall strategic approach* (COM (2000) 358 final).

<sup>3</sup> Adoption of Regulation (EC) No 1073/99 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/99 of 25.05.99, OJ L 136, 31.5.99.

<sup>4</sup> Commission Decision of 28 April 1999, OJ L 136, 31.5.1999. The activities of the Office as an independent operational service will be defined in a separate work programme which falls under the direct responsibility of the Director General of the Office.

<sup>5</sup> COM (2000) 200 final/2 of 5.4.2000.

- *an inter-institutional approach to preventing and fighting corruption* (making the European institutions more credible)
- *strengthening the criminal law dimension* (adapting the legal and judicial framework for the protection of the financial interests of the European Union).

In response to these four main guidelines, without prejudice to the more specific initiatives that may be taken in each of the Commission's Directorates-General and departments or the operational tasks assigned by the legislator to the European Anti-Fraud Office, the Commission adopted a first Action Plan on 15 May 2001. It set out the priority actions, including legislative initiatives, to be prepared and implemented in close cooperation by all its Directorates-General and departments over the period 2001-2003. The implementation of the Plan is followed up in the annual report submitted by the Commission pursuant to Article 280 of the EC treaty<sup>6</sup>.

Although it was not possible to fully complete some of the proposed actions during this period, **the overall results of this 2001-2003 Action Plan** can be regarded as positive.

The Commission notes that a considerable number of actions, in particular those relating to *the establishment of an overall anti-fraud legislative policy*, were fully completed. In the areas of protection of the Union budget and of prevention, interdepartmental coordination aimed at ensuring that legislation is fraud-proof is now in place. Regarding the protection of the euro and the fight against piracy and forgery of manufactured products, the Commission has further developed the legal framework for action and intervention, as well as for specific international cooperation. An information system with data on unreliable tenderers has been proposed by the Commission and adopted by the legislator to make public procurement procedures more secure.

Efforts were also made by the Commission to help the ten new Member States and the applicant countries to adopt the *acquis communautaire* as regards protection of financial interests. One important result of this work was that a central national anti-fraud coordination structure was set up in each state to enable it to gain familiarity with the Community approach regarding anti-fraud investigations and to cooperate closely with the Commission's anti-fraud department.

One significant result of the shared responsibility of the Community and the Member States in the field of the protection of financial interests is the *development of a new culture of cooperation* with national administrations. The projected multi-disciplinary service platform<sup>7</sup>, which proposes a more structured and regular cooperation between all the players, is the appropriate instrument for achieving this objective. To this end, an "Intelligence" Directorate<sup>8</sup> was created in the Office to provide the capacity for analysis of fraud and irregularities based on communications by the Member States. A judicial advisors' unit is also now in a position to ensure broader operational coordination with all the players on the ground in the Member States. The Commission's annual report on the protection of the Communities' financial interests and the fight against fraud, drawn up in conjunction with the specialised services of the Member States, gives an account of the actions undertaken and the results achieved. In parallel to this close and regular cooperation, which was initially defined in Article 280 of the EC treaty, the Commission and the new EU judicial

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<sup>6</sup> Commission's annual reports on the Protection of the Communities' financial interests and fight against fraud for 2001 and 2002. COM (2002) 348 final of 2.7.2002 and COM (2003) 445 final of 23.7.2003.

<sup>7</sup> The aim of this project is to better present the range of activities undertaken by the Office and list the expertise available in it. See the Progress Report on the activities of OLAF, COM (2003) 154 final of 2 April 2003, point 1.2.1.

<sup>8</sup> See point 1.2.1. of the Report (cf footnote 7).

cooperation and police bodies (Eurojust and Europol) also formalised their collaboration through memoranda of understanding<sup>9</sup>.

With regard to the *prevention of and fight against corruption* to protect the Community's financial interests, the new Financial Regulation laid the foundations for improving financial management at the Commission. Measures have been taken as part of the administrative reform to raise the awareness of Commission officials and agents of the principles of sound project management and the action to be taken in the event of suspected serious wrongdoing liable to harm the Community's interests.

As required in Article 15 of Regulations Nos 1073/99 and 1074/99, the Commission performed an evaluation of the activities of the Office<sup>10</sup>, and made seventeen recommendations for reinforcing its structure and operations. The European Court of Justice has on several occasions confirmed the legality and consistency of the inter-institutional framework for internal investigations. This framework applies to all the institutions, bodies and agencies set up by the EC and Euratom treaties.<sup>11</sup>

Turning finally to *criminal law protection of financial interests*, while not all the Commission's efforts in this area were successful (a case in point is the proposed amendment of the Directive on the criminal law protection of the Community's financial interests<sup>12</sup>), significant progress has been achieved, notably the entry into force on 17 October 2002 of the first Convention instruments for the fight against fraud first proposed eight years ago (the Convention on the protection of financial interests<sup>13</sup>, the first protocol to this convention<sup>14</sup> and the protocol relating to the jurisdiction of the Court of Justice<sup>15</sup>).

At the same time during this period (2001-2003), an important step was taken towards setting up a European Public Prosecutor's Office responsible for the protection of financial interests, which was endorsed by the Convention on the future of the European Union in the draft constitutional treaty. Throughout 2002, on the basis of the Green Paper on the establishment of a European Prosecutor adopted on 11 December 2001<sup>16</sup>, the Commission led a wide-ranging debate with the representatives from all the areas involved. Around 200 contributions were received, which were summarised in the follow-up report on the Green Paper in 2003<sup>17</sup> and enabled the Commission to present a proposal to the European Convention and take an active part in the Convention's work in this field. Although the Commission's efforts did not lead to a successful outcome at the time of the conclusion of the Nice treaty, the debate launched by it was instrumental in the inclusion of a provision on the European Public Prosecutor's Office in the constitutional treaty (article III-175). This provision should enable the Council to set up, through Eurojust, a European Public Prosecutor's Office to protect the financial interests of the Union.

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<sup>9</sup> Protocols concerning communication of information (operational exchanges particularly in specific cases). See point 1.2.4. of the Report (cf footnote 7).

<sup>10</sup> Cf footnote 7.

<sup>11</sup> Decision of the Court of Justice (case C-15/00 *Commission v EIB*), decision of the Court of Justice (case C-11/00 *Commission v the ECB*), decision of the Court of Justice (case C-167/02 *W. Rothley v the European Parliament*).

<sup>12</sup> COM (2001) 272 of 23.5.2001 – 240E OJ C of 28.8.2001, modified by COM (2002) 577 of 16.10.2002.

<sup>13</sup> OJ C 316, 27.11.1995.

<sup>14</sup> OJ C 313, 23.10.1996.

<sup>15</sup> OJ C 151, 20.5.1997.

<sup>16</sup> Green Paper on criminal-law protection of the financial interests of the Community and the establishment of a European Prosecutor, COM (2001) 715 final of 11.12.2001.

<sup>17</sup> Document COM (2003) 128 final. See: [http://europa.eu.int/comm/anti\\_fraud/green\\_paper/index\\_en.html](http://europa.eu.int/comm/anti_fraud/green_paper/index_en.html).

**The new 2004-2005 action plan** corresponds to the second stage of the programme, in the framework of the 2000 overall strategic approach, and follows the four main action guidelines described above. It also takes into account the new guidelines set out in the Progress report on the activities of OLAF and the measures announced in the Commission President's speech<sup>18</sup> in November 2003.

Specifically, the 2004-2005 Action Plan testifies to the Commission's ongoing commitment to the fight against fraud and contains one of its responses to the new challenges relating to the development of the Union in 2004 and 2005. The Plan comprises:

- actions that it was not possible to implement in the previous period and actions that still have to be decided on in order to complete implementation of the overall strategic approach, in particular the strengthening of the operational partnership with the Member States;
- recent developments relating to the reinforcement of the legal framework of OLAF<sup>19</sup>, as recommended by the Commission in its progress report on the activities of OLAF<sup>20</sup> and by the President of the Commission in his Action Plan of 18 November 2003. Because of the weaknesses revealed by the Eurostat case, the Commission thinks it necessary to act more rapidly and thoroughly than originally envisaged in the progress report. Consequently, a number of initiatives, some of which are already being implemented, will be taken in addition to the recommendations of the Progress report;
- a number of more specific initiatives, such as the White Book on the European Prosecutor, or other initiatives, which respond to specific requests or needs, such as the handling of irregularities notified before 1 January 1999 in relation to the EAGGF-guarantee section ("Recovery" Task-Force) or the simplification of the procedures for notifying irregularities (EAGGF-Guarantee, Structural Funds, Cohesion Fund).

This new Action Plan emphasises the following policy guidelines and priorities:

- reinforcing the regulatory framework of May 1999 for OLAF's activities and competencies (improving the information flow between OLAF and the European institutions and bodies; fully guaranteeing the rights of individuals affected by an external or internal inquiry; strengthening OLAF's operational efficiency and enhancing the role of the Office's Supervisory Committee);
- improving the information flow between the Member States and the Commission, for example by amending the regulations on notification of irregularities; developing the Customs Investigations Information File ("FIDE") and implementing the new Regulation concerning mutual administrative assistance in the field of VAT and the laundering of profits from Community fraud;

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<sup>18</sup> State of the Union Address on legislative and work programme of the Commission for 2004 by Mr Prodi at the European Parliament in Strasbourg on 18.11.2003.

<sup>19</sup> Draft amendments of Regulations Nos 1073/99 and 1074/99 adopted on 10.02.2004, COM (2004) 103 final and COM (2004) 104 final.

<sup>20</sup> See the Resolution of the European Parliament on the Commission report on the evaluation of the activities of the European Anti-Fraud Office (COM (2003) 154 – 2202/2237(INI)) and conclusions of the Council on the same Report (doc. 16280/03 of 22 December 2003).

- developing the criminal-law protection of the Community's financial interests with the competent authorities in the Member States, for example by following up the decision of the Intergovernmental Conference (IGC) to establish, in the constitutional treaty, the legal basis for creating a European Prosecutor with competence for protecting the financial interests of the European Union.

This 2004-2005 action plan will therefore complete the implementation of the Overall strategic anti-fraud approach of June 2000 and create the conditions allowing the Commission to launch a new drive to protect the Community's financial interests and to fight against fraud.

| OBJECTIVES<br>Measure   | LEAD DEPT. <sup>21</sup>      | 2004   |   | 2005   |                      | Obs: <sup>22</sup> |
|---|-------------------------------|--|---|--|----------------------|--------------------|
|   |                               | 1 <sup>st</sup> HALF   | 2 <sup>nd</sup> HALF  | 1 <sup>st</sup> HALF   | 2 <sup>nd</sup> HALF |                    |
| <b>1. AN OVERALL ANTIFRAUD LEGISLATIVE POLICY</b>   |                               |  |   |  |                      |                    |
| <b>1.1. DEVELOPING A CULTURE OF PREVENTION AND TIGHTENING UP LEGAL TEXTS</b>  |                               |  |   |  |                      |                    |
| Consolidation of the structure and functions of OLAF by reinforcement of its legal framework  | OLAF, SG                      | Proposals for amendment of Regulations No 1073 and 1074/1999 <sup>23</sup> |   |  |                      | <i>II</i>          |
| Cooperation between the Community and the Member States to protect the Communities' financial interests<br>Extension of cooperation mechanisms, exchange of information and assistance to new areas, especially to money laundering and VAT fraud | OLAF,<br>TAXUD,<br>MARKT, JAI |  | Proposal for a Regulation based on Article 280 of the EC Treaty on mutual administrative assistance, especially on money laundering and VAT fraud |  |                      | <i>I</i><br>R. 3   |
| Assessment of Regulations No. 1469/1995 and No. 745/1996 <sup>24</sup><br>(Black list mechanism in EAGGF-Guarantee Section)   | OLAF, AGRI,<br>SJ             |  | Second report on the "black list system" in the EAGGF-Guarantee Section   | Proposal for amendment of the regulations concerned. Examination of their field of application |                      | <i>III</i>         |
| Defining OLAF's objectives, taking into account the strategic guidelines and the contributions of the Institutions in the field of anti-fraud action  | OLAF                          |  | Preparation of a Commission communication on the main themes for strategic anti-fraud guidelines  |  |                      | <i>II</i><br>R. 11 |
| Definitive setting-up of the European Technical and Scientific Centre (ETSC) to finalise Council Decisions 2003/861 and 862/EC <sup>25</sup>  | OLAF, ECFIN                   |  | Commission decision   |  |                      | <i>III</i>         |
| Continuation and adaptation of the training, exchange and assistance action programme for the protection of the euro against counterfeiting (PERICLES programme <sup>26</sup> )   | OLAF                          |  | Evaluation of the PERICLES programme with a view to a new legislative proposal  | Communication on the adaptation of the PERICLES programme. Proposal for a Council              |                      | <i>III</i>         |

<sup>21</sup> Lead department, followed by associated departments.

<sup>22</sup> The figures preceded by "R" refer to Report Art 15 recommendations. The figures in italics refer to the following categories:

I - Carry-overs from previous years and recurring Actions;

II - Actions based on Report Art 15 Recommendations and "Prodi Action Plan"

III - Supplementary initiatives.

<sup>23</sup> COM (2004) 103 and 104 final of 10.02.2004.

<sup>24</sup> Council Regulation (EC) No 1469/95 of 22.06.95 (*OJL 145, 29.6.1995*) and Commission Regulation (EC) No 745/96 of 24.4.96 (*OJL 102, 25.4.96*).

<sup>25</sup> Council Decisions of 8 December 2003 Nos. 2003/861/EC and 2003/862/EC (*OJL 325, 12.12.2003*)

| OBJECTIVES<br>Measure   | LEAD DEPT.                               | 2004  |  | 2005                 |  | Obs.:              |
|---|--|---|--|----------------------|--|--------------------|
|   |  | 1 <sup>st</sup> HALF  | 2 <sup>nd</sup> HALF   | 1 <sup>st</sup> HALF | 2 <sup>nd</sup> HALF   |                    |
|   |  | Decision  |  |                      |  |                    |
| <b>1. AN OVERALL ANTIFRAUD LEGISLATIVE POLICY</b>   |  |   |  |                      |  |                    |
| <b>1.2. STRENGTHENING MEANS OF DETECTION, CONTROLS AND SANCTIONS</b>  |  |   |  |                      |  |                    |
| Clarification of fraud investigation powers at Community level, particularly in the area of direct expenditure  | OLAF, SG                                 | Proposals for amendment of Article 3(2) of Regulations 1073 and 1074/1999 |  |                      |  | <i>II</i><br>R. 3  |
| Extension of the administrative penalty system to the following areas:<br>- customs<br>- structural funds<br>- direct expenditure<br><br>- OLAF investigations (resistance to checks) | TAXUD, SJ, REGIO, EMPL, AGRI, FISH, OLAF |   | Preliminary examination with a view to including administrative penalties in the regulations concerned |                      |  | <i>II</i><br>R. 12 |
|   | OLAF, BUDG, SJ                           |   |  |                      | Examination of the need for a specific regulation on fraud and irregularities in connection with contracts involving Community financing | <i>I</i>           |
|   | OLAF, SG                                 | Proposals for amendment of Article 6(6) of Regulations 1073 and 1074/1999 |  |                      |  | <i>II</i><br>R. 4  |
| Technical guidelines for competent authorities in the Member States which may wish to carry out or supervise the process of authenticating euro coins on their territory              | OLAF                                     |   | Commission recommendation on methods of authenticating euro coins                                      |                      |  | <i>III</i>         |
| <b>1.3. ENSURE A MORE EFFECTIVE MANAGEMENT OF ADMINISTRATIVE AND FINANCIAL FOLLOW-UP</b>  |  |   |  |                      |  |                    |
| Improvement of the recovery of sums wrongly paid (EAGGF-Guarantee Section, Regulation No. 1258/1999 <sup>27</sup> ).  | AGRI, OLAF                               |   | Proposal for amendment of Regulation No. 1258/1999, on financing of the CAP                            |                      |  | <i>III</i>         |
| Handling the backlog of irregularities reported before 1.1.1999 under Regulation No. 595/1991 <sup>28</sup> (EAGGF/Guarantee Section). Recovery Task Force <sup>29</sup>              | OLAF, AGRI                               |   |  |                      | Conclusion of work   | <i>I</i>           |

<sup>26</sup> Council Decisions of 17 December 2001 Nos. 2001/923/EC and 2001/924/EC (*OJ L 339, 21.12.2001*).

<sup>27</sup> Council Regulation (EC) No 1258/99 of 17.5.99 (*OJ L 160, 26.6.99*).

<sup>28</sup> Council Regulation (EEC) No 595/91 of 4.3.91 (*OJ L 067, 14.3.91*).

<sup>29</sup> COM (2002) 671 final of 3.12.2002.



| OBJECTIVES<br>Measure  | LEAD DEPT.                             | 2004   |  | 2005   |  | Obs.:                            |
|--|--|--|--|--|--|----------------------------------|
|  |  | 1 <sup>st</sup> HALF   | 2 <sup>nd</sup> HALF   | 1 <sup>st</sup> HALF                                 | 2 <sup>nd</sup> HALF   |                                  |
| <b>2. NEW CULTURE OF COOPERATION</b>   |  |  |  |  |  |                                  |
| <b>2.1. ENHANCED USE AND ANALYSIS OF INFORMATION (“INTELLIGENCE”)</b>  |  |  |  |  |  |                                  |
| Developing operational cooperation between customs administrations. Setting up the FIDE (Customs Investigations Information Files)       | OLAF, TAXUD, JAI                       |  | Proposal for amendment of Regulation No 515/97 <sup>30</sup>   |  | Reinforced coordination to support and manage joint operations | <i>II</i><br>R. 14<br><i>III</i> |
| Simplifying the procedure for notifying irregularities based on Regulation (EC) No 1681/94 <sup>31</sup> concerning the Structural Funds | OLAF, DGs authorising Structural Funds |  | Proposal for amendment of Regulation No 1681/1994  |  |  | <i>III</i>                       |
| Simplifying the procedure for notifying irregularities based on Regulation (EC) No 1831/94 <sup>32</sup> concerning Cohesion Funds       | OLAF, REGIO                            |  | Proposal for amendment of Regulation No 1831/1994  |  |  | <i>III</i>                       |
| Simplifying the procedure for notifying irregularities based on Regulation (EC) No 595/91 concerning EAGGF-Guarantee expenditure         | OLAF, AGRI                             |  | Proposal for amendment of Regulation No 595/1991   |  |  | <i>III</i>                       |
| <b>2.2. DEVELOPING A CLOSER PARTNERSHIP WITH MEMBER STATES AND NON-COMMUNITY COUNTRIES</b>   |  |  |  |  |  |                                  |
| Strengthening relations with Member States   | OLAF, SG, SJ                           |  | Update of Commission Decision 94/140/EC <sup>33</sup> establishing the COCOLAF                       |  |  | <i>I</i><br>R. 14, 6             |
| Improving information from Member States at Community level on the follow-up given to OLAF’s investigations                              | SG, OLAF                               | Proposals for amendment of Articles 9 (3) of Regulations Nos 1073 and 1074/1999  |  |  |  | <i>II</i><br>R. 6                |
| Enhancing cooperation structures and exploitation of possibilities for synergy   | OLAF                                   |  | Inventory of the services that the Commission/OLAF can provide to the institutions and Member States | Implementation of multidisciplinary Service Platform |  | <i>II</i><br>R. 14               |
| Assistance to new Member States to reinforce their own capacities for fighting fraud   | OLAF, ELARG                            | Implementation of Transition Facility funds (2004-2006) for the protection of the Community’s financial interests and the fight against fraud<br><br>Deployment of OLAF Regional Assistants in the new Member States |  |  |  | <i>III</i>                       |

<sup>30</sup> Council Regulation (EC) No 515/97 of 13.03.97 - *OJ L 082, 22.03.97.*

<sup>31</sup> Commission Regulation (EC) No 1681/94 of 11.07.94 - *OJ L 178, 12.07.94.*

<sup>32</sup> Commission Regulation (EC) No 1831/94 of 26.07.94 - *OJ L 191, 27.07.94.*

<sup>33</sup> Commission Decision 94/140/EC of 23.02.94 - *OJ L 061, 04.03.94.*

| OBJECTIVES<br>Measure  | LEAD DEPT.               | 2004   |                      | 2005  |                      | Obs.:                                 |
|--|--------------------------|--|----------------------|---|----------------------|---------------------------------------|
|  |                          | 1 <sup>st</sup> HALF   | 2 <sup>nd</sup> HALF | 1 <sup>st</sup> HALF                                  | 2 <sup>nd</sup> HALF |                                       |
| <b>2. A NEW CULTURE OF COOPERATION</b>   |                          |  |                      |   |                      |                                       |
| <b>2.2. DEVELOPING A CLOSER PARTNERSHIP WITH MEMBER STATES AND NON-COMMUNITY COUNTRIES</b>           |                          |  |                      |   |                      |                                       |
| Reinforcement of anti-fraud coordination services in candidate countries                             | OLAF, ELARG              | Ongoing assistance to Bulgaria and Romania through the Multi-Countries Anti-fraud PHARE Programme for the protection of PHARE financial interests<br>Assistance to anti-fraud coordination in the new candidate countries<br>Deployment of OLAF Regional Assistants in certain candidate countries |                      |   |                      | <i>III</i>                            |
| Memoranda of understanding with candidate countries and third countries                              | OLAF                     | Conclusion of administrative arrangements with Anti-fraud Coordination Services (AFCOS) of the candidate countries and, where appropriate, with competent services in third countries  |                      |   |                      | <i>II</i><br><i>R. 10</i>             |
| Negotiations conducted with Switzerland on the fight against fraud                                   | OLAF, RELEX              | Conclusion of negotiations   |                      |   |                      | <i>I</i>                              |
| Administrative cooperation and mutual assistance in customs matters with third countries             | OLAF,<br>TAXUD,<br>RELEX | Negotiations of international mutual administrative assistance agreements in the customs area  |                      |   |                      | <i>II</i><br><i>R. 10</i>             |
| Analysis, cooperation and information exchanges on matters relating to the euro with third countries | OLAF, ECFIN              | Inclusion of anti-counterfeiting clauses in cooperation and association agreements, pursuant to Article 9(2) of Regulation No 1338/2001 <sup>34</sup>  |                      |   |                      | <i>I</i><br><i>II</i><br><i>R. 10</i> |
| <b>2.3. POLICY OF ONGOING EVALUATION OF ANTI-FRAUD ACTIONS</b>                                       |                          |  |                      |   |                      |                                       |
| Inventory of new measures at Community and Member State level in 2003 and 2004                       | OLAF                     | 2003 Annual Report<br>Article 280(5) of the EC Treaty  |                      | 2003 Annual Report<br>Article 280(5) of the EC Treaty |                      | <i>I</i>                              |

<sup>34</sup> Council Regulation (EC) No 1338/2001 of 28.06.2001 - *OJ L 181, 04.07.2001*.

| OBJECTIVES<br>Measure   | LEAD DEPT.                   | 2004  |  | 2005                 |                      | Obs.:       |
|---|------------------------------|---|--|----------------------|----------------------|-------------|
|   |                              | 1 <sup>st</sup> HALF  | 2 <sup>nd</sup> HALF   | 1 <sup>st</sup> HALF | 2 <sup>nd</sup> HALF |             |
| <b>3. AN INTERINSTITUTIONAL APPROACH TO PREVENT AND COMBAT CORRUPTION</b>   |                              |   |  |                      |                      |             |
| <b>3.1. DEVELOP A CULTURE OF COOPERATION AT ALL LEVELS</b>  |                              |   |  |                      |                      |             |
| Possible definition of practical arrangements for cooperation between OLAF and other Commission departments   | OLAF, SG, other services     |   | Examine the usefulness of adopting a memorandum of understanding (or another type of text)   |                      |                      | II<br>R. 7  |
| Facilitate the conducting of internal investigations within other institutions and bodies   | OLAF, SG, SJ                 |   | Examine the usefulness of proposing protocols / memoranda of understanding with other institutions                                     |                      |                      | II<br>R. 9  |
| Possible definition of practical arrangements for cooperation between OLAF and IDOC   | OLAF, IDOC, ADMIN            |   | Appropriateness of re-examining the memorandum of understanding agreed upon in 2003, in the light of recent developments <sup>35</sup> |                      |                      | II<br>R. 8  |
| Improvement of transparency in the flow of information between OLAF and other DGs to assure an appropriate follow-up  | SG, IDOC, ADMIN, IAS, (OLAF) | Creation of high level interdepartmental group  |  |                      |                      | II<br>R. 8  |
| <b>3.2. IMPROVE THE LEGAL FRAMEWORK FOR ADMINISTRATIVE INVESTIGATIONS</b>   |                              |   |  |                      |                      |             |
| Clarification of arrangements for performing internal/external investigations and related measures by precise rules   | SG, OLAF                     | Proposals for amendment of Articles 6, paragraphs 7, 7(a) and 7(b) of Regulations Nos 1073 and 1074/1999    |  |                      |                      | II<br>R. 2  |
| Compliance with and standardised application of information procedures with regard to the institutions, bodies and offices concerned and the persons involved | SG, OLAF                     | Proposals for amendment of Articles 6, paragraphs 5(a), 7(a) and 7(b) of Regulations Nos 1073 and 1074/1999 |  |                      |                      | II<br>R. 16 |

<sup>35</sup> Namely, adoption of the Commission Decision C/2004/1588 final/4 of 28.04.2004.

| OBJECTIVES<br>Measure  | LEAD DEPT.    | 2004                     |   | 2005  |                      | Obs.:                |
|--|---------------|--------------------------|---|---|----------------------|----------------------|
|  |               | 1 <sup>st</sup> HALF     | 2 <sup>nd</sup> HALF  | 1 <sup>st</sup> HALF  | 2 <sup>nd</sup> HALF |                      |
| <b>4. ENHANCEMENT OF THE CRIMINAL-LAW JUDICIAL DIMENSION</b>   |               |                          |   |   |                      |                      |
| Reinforcement of the effectiveness of criminal prosecutions by establishing a European Public Prosecutor               | OLAF, JAI     |                          |   | Preparation of a White Book   |                      | <i>II</i><br>R. 13   |
| Follow up the application of the Convention and its protocols to the protection of the Community's financial interests | OLAF, JAI, SJ |                          | Report on the implementation of the Convention by the Member States |   |                      | <i>II</i><br>R. 6    |
| Improvement of structured relations with Europol   | OLAF, Europol | Conclusion of a protocol |   |   |                      | <i>I</i>             |
| Development of the judicial dimension and the function of interlocutor of the police and judicial authorities          | OLAF          |                          |   | Establishment with Member States of a Practical Guide for cooperation with criminal prosecution authorities |                      | <i>I</i><br>R. 14, 6 |