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COMMISSION STAFF WORKING DOCUMENT

**Statistical evaluation of irregularities reported for 2012
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 2012**

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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 more 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 27 country factsheets, which summarise, for each Member State, the main indicators and information that have been recorded through the analyses.

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.

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

Part I - REVENUES

2. TRADITIONAL OWN RESOURCES

2.1. Introduction

For more information about how information concerning irregularities and fraud related to Traditional Own Resources are collected and analysed, see paragraph 1.3 of the Commission Staff Working Document ‘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 period 2008-2012.

The following analysis is based on the data available on the cut-off date and aims to provide an overview of the reported cases of fraud and irregularities reported for 2012 together with their financial impact.

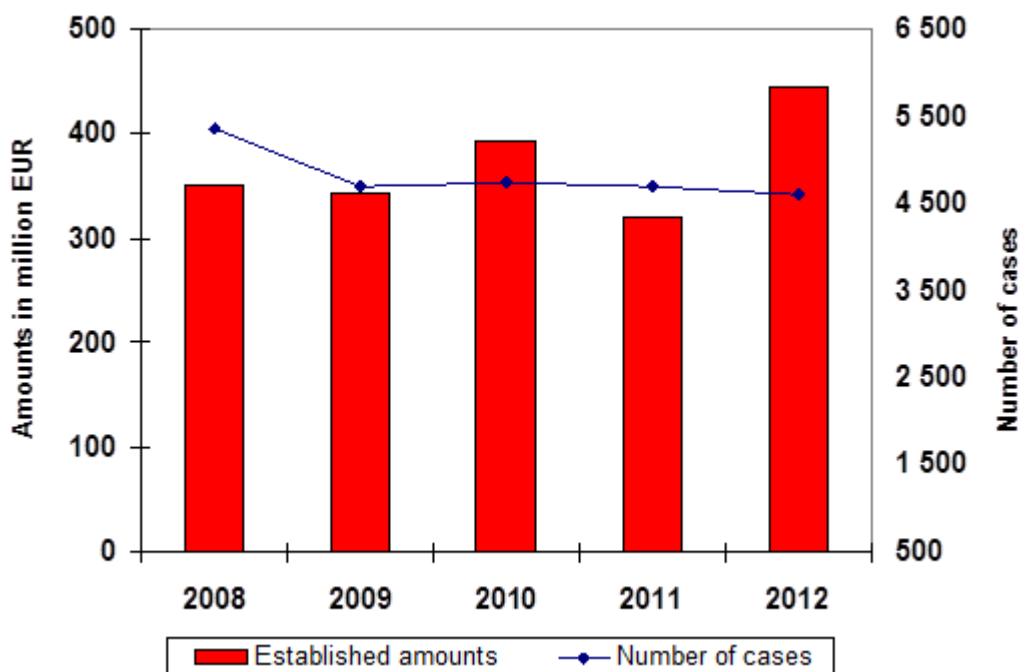
2.2. General analysis – Trend analysis

2.2.1. Reporting Years 2008-2012: Cases of fraud and irregularities

The number of cases reported via OWNRES for 2012 (4594) is currently 5% lower than the average number of cases of fraud and irregularities reported for the period 2008-2012 (4812).

Conversely, the total established amount of TOR irregularity cases involved (EUR 444 million) is 20% higher than the average established amount for years 2008-2012 (EUR 371 million)².

Chart TOR1: Total cases of fraud and irregularities and amounts affected (2008-2012)



² For comparability reasons the figures of 2008-2011 are based on the data used for the reports of those years.

Member States continuously update information on cases of fraud and irregularities regarding previous years.

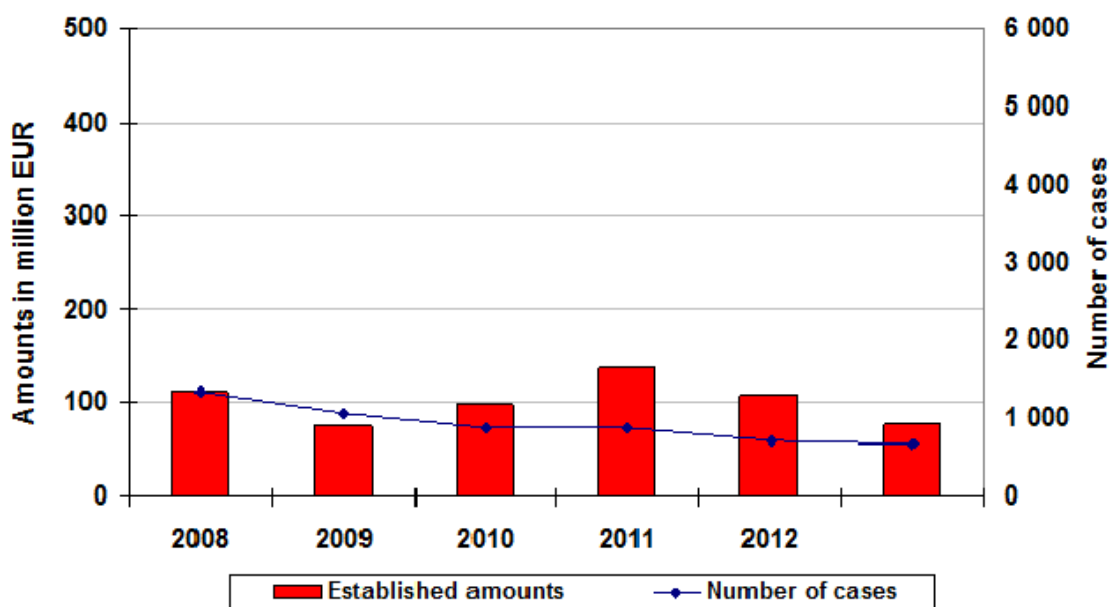
Annex 1 shows the situation on the cut-off date for the last five years.

The increase of the total amounts affected by fraud and irregularities in 2012 was influenced by six big cases reported by Belgium, Germany, the United Kingdom, the Netherlands and Romania with a total established amount of about EUR 104 million.

2.2.1.1. Irregularities reported as fraudulent

The number of fraud cases communicated to OWNRES for 2012 (682) is currently 20% *lower* in comparison with the average number of fraud cases reported for period 2008-2012 (the average number of cases reported for 2008-2012 was 851). The total established amount of TOR involved (EUR 78 million) is 22% *lower* than the average established amounts for the years 2008-2012 (EUR 100 million)³.

CHART TOR2: Cases of fraud and established amounts (2008-2012)



Annex 2 shows the situation on the cut-off date for the last five years.

The Czech Republic, Estonia, Luxemburg, Cyprus, Portugal and Sweden did not communicate any case of fraud exceeding an amount of 10 000 EUR.

2.2.1.2. Irregularities not reported as fraudulent

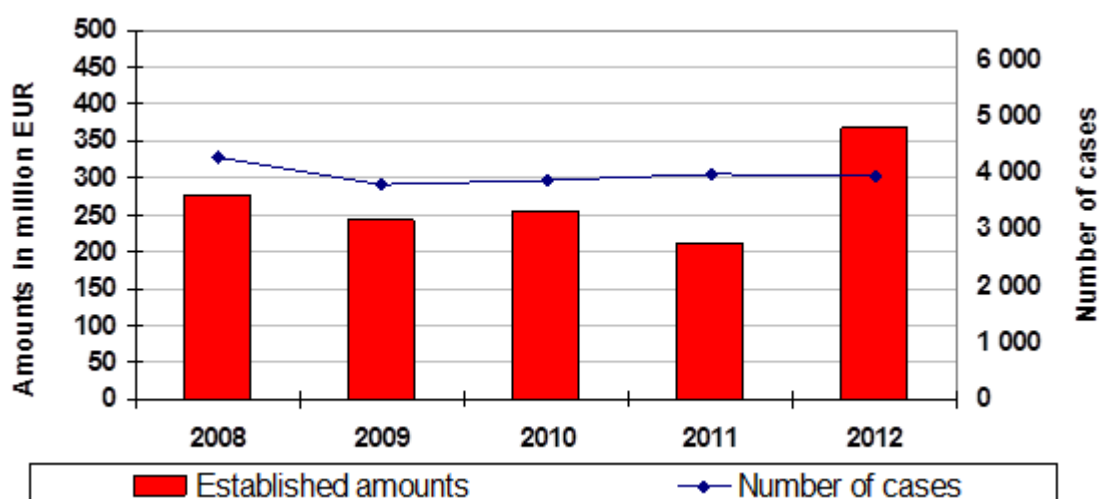
At the same time, the number of irregularities communicated to OWNRES for 2012 (3912) is 1% *lower* in comparison with the average number of irregularities reported for 2008-2012 which was 3961).

The total established amount of TOR (EUR 370 million) is 20% *higher* than the average established amounts for the years 2008-2012 (271 EUR million)⁴.

³ For comparability reasons the figures of 2008-2011 are based on the data used for the reports of those years.

⁴ For comparability reasons the figures of 2008-2011 are based on the data used for the reports of those years.

CHART TOR3: Cases of non-fraudulent irregularities and established amounts (2008-2012)



For 2012, Malta and Luxemburg did not report any case of irregularity exceeding an amount of EUR 10000. On the cut-off date, OWNRES had recorded only one case of irregularity reported by Greece for 2012⁵.

Annex 3 shows the situation on the cut-off date for the last five years.

2.2.2. Established and estimated amounts

The largest part of all amounts of TOR established are recovered without any particular problem and made available to the Commission via the A-account. For 2012 around EUR 21.9 billion TOR (gross) have been collected by the Member States and thereafter made available to the EU budget after deduction of 25% collection costs. In comparison, according to the OWNRES communications, around EUR 461 million have been *established and estimated* by the Member States in connection to detected cases of fraud and irregularities where the amount at stake exceeds EUR 10000.

The total established and estimated amounts reported in OWNRES represent 2.10% of the total collected TOR (gross) of 2012⁶. This proportion has increased in comparison to the previous years' reports where a percentage of 1.73% was calculated in 2011 and 2% in 2010. A percentage of 2.10% reflects that out of each EUR 100 of TOR (gross) collected an amount of fraud and irregularities is registered as irregular or fraudulent in OWNRES of EUR 2.10. Within the Member States there are differences. In six Member States the percentage is equal or above the average of 2.10%.

For 2012 the highest percentage can be seen in Romania with 17.95%. This is due to two big cases with a total financial impact of EUR 27.3 million.

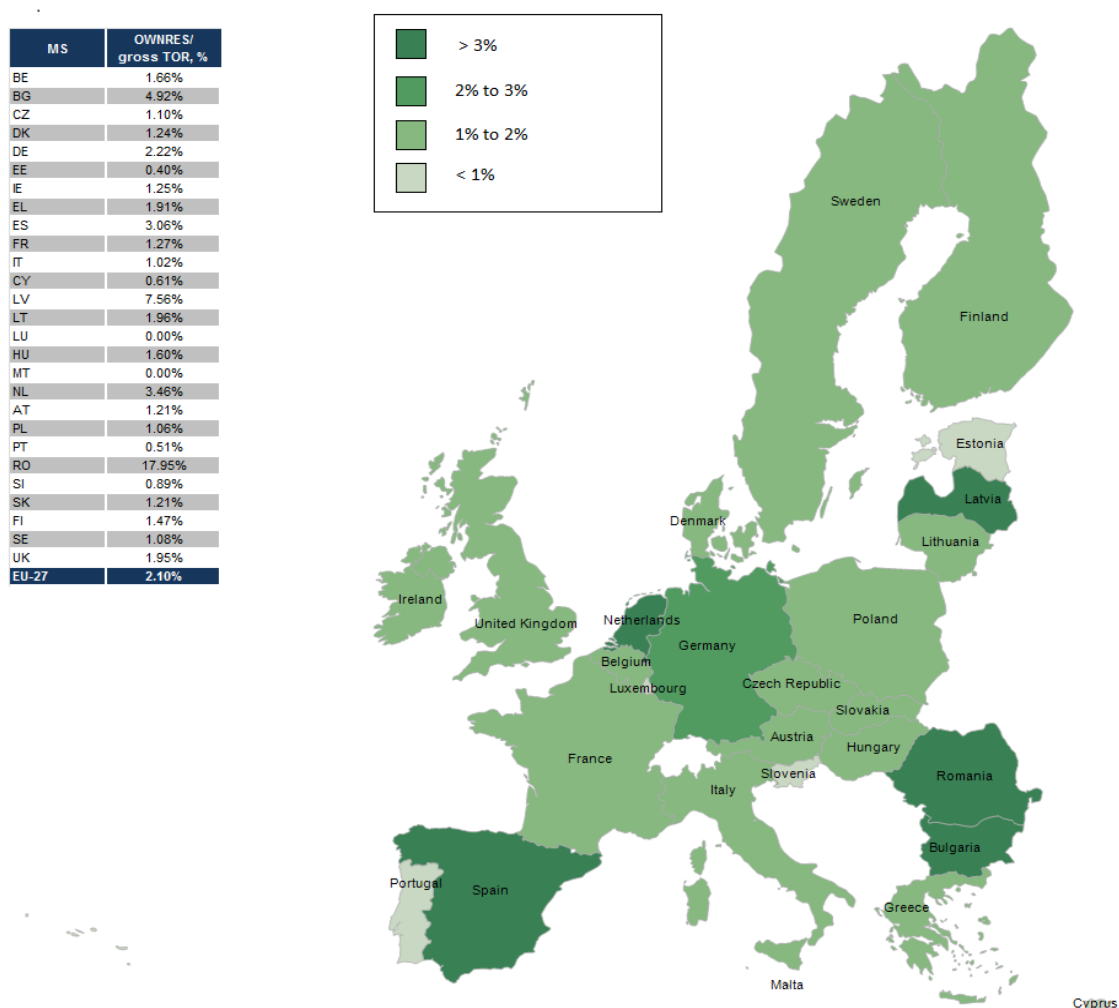
For 7 Member States which collected most TOR, the percentage of the established and estimated OWNRES amounts to collected TOR for 2012 was equal to 2.10%. In comparison to the previous year, these Member States show an increase by almost 0.5 percentage points. For Belgium, Germany and the Netherlands the increase was higher than 0.5 percentage points. Only for Italy, the proportion between established

⁵ Further cases have been added after the cut-off date.

⁶ See annex 4.

and estimated OWNRES amounts to collected TOR decreased in 2012 when compared to the previous year.

TOR MAP1: Visualising the percentage of established and estimated amounts in OWNRES to collected TOR



2.2.3. Recovery

The fraud and other irregularity cases which have been detected in 2012 show an established amount of EUR 444 million. Thereof EUR 186 million were recovered in cases where an irregularity was at stake and EUR 22 million in fraud cases. In total EUR 208 million were recovered by all Member States for all cases which were detected in 2012. In absolute numbers Germany recovered most with EUR 82 million followed by the United Kingdom with EUR 34 million in 2012. In addition, the Member States continued their recovery actions related to detected cases of previous years. EU-27 recovered EUR 83 million in 2012 which related to cases detected between 1989 and 2011.

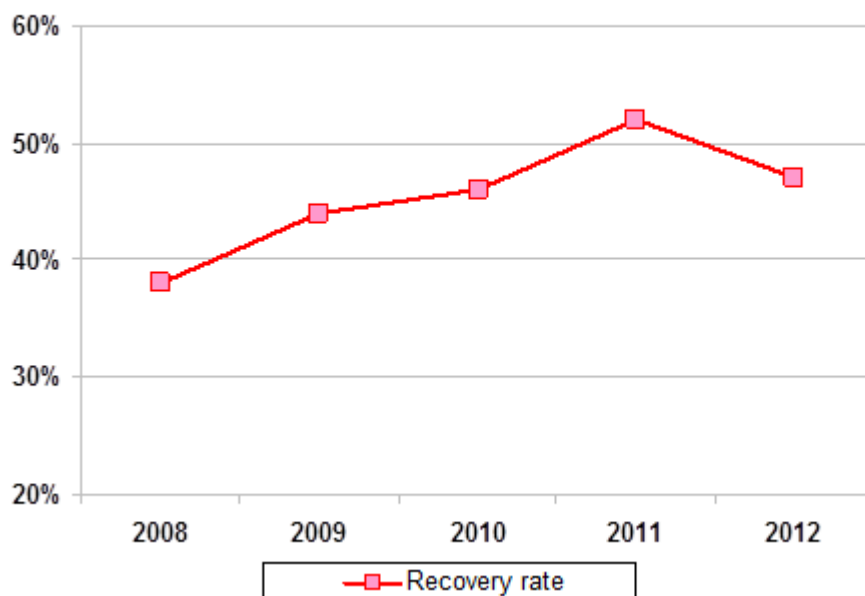
2.2.3.1. Recovery rates

Over the last five years the annual RR has varied between 38% and 52%. At present the recovery rate for 2012 is 47%⁷. In other words, of every over EUR10000 of

⁷ See annex 5.

duties established and reported for 2012 in OWNRES, approximately EUR 4 700 has already been paid.

CHART TOR4: Annual recovery rates 2008-2012



There are big differences of the recovery rate within the Member States. For 2012, the highest recovery rates are in Slovakia (100%), the Czech Republic (98%), Hungary (97%) and Germany (81%). 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 on-going, it can be expected that the recovery rate for 2012 will also go up in the future.

The overall recovery rate for 2011 recorded in the last year's report was 51%, and it has since then climbed to 61%. On the cut-off date, the overall recovery rate (RR) for all years (1989-2012) was 51.81%⁸.

2.3. Specific analysis

2.3.1. Irregularities reported as fraudulent

2.3.1.1. Modus operandi

In 2012, the most cases (83%) and the majority of established amounts⁹ (95%) for fraud cases in EU-27 are related to the customs procedure 'release for free circulation'. A total of 7% of all cases and 1% of all established amounts in OWNRES fraud cases registered for 2012 involve the transit procedure. The percentage of established amounts for fraud cases involves customs warehousing and inward processing 2%¹⁰ and 1% respectively.

⁸ This calculation is based on 73 841 cases, an established amount of EUR 5.4 billion and a recovered amount of EUR 2.8 billion.

⁹ See annexes 6.

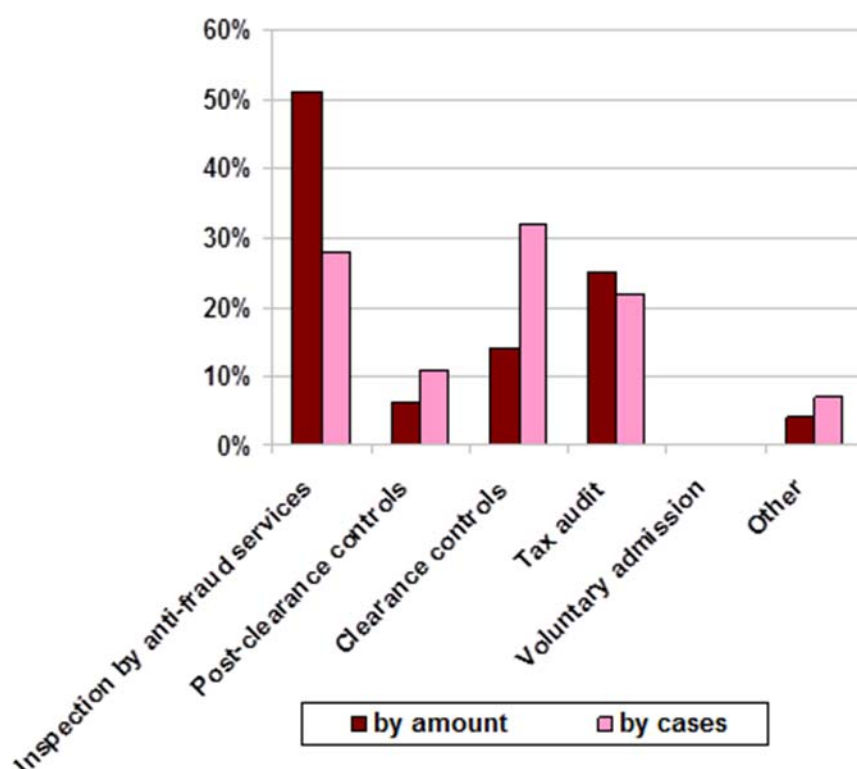
¹⁰ One fraud case was detected in Spain amounting almost to EUR 1.5 million.

A breakdown of frauds by mechanism type reveals that most cases of fraud relate to false declarations. Incorrect use of preferential arrangements, incorrect origin or country of dispatching, or classification are most frequently mentioned. Smuggling as a fraud mechanism ranked second place in 2012.

2.3.1.2. Method of detection of fraud cases

In 2012, most fraud cases (32 %) were revealed during a customs controls at the time of clearance of goods (either physical inspections or inspections of documents). Other frequently featured methods were inspections by anti-fraud services (28 %), tax audits (22 %), and post-clearance inspections (11 %).

CHART TOR5: Fraud cases - % of the method of detection by cases and established amounts in 2012



in terms of amounts, out of EUR 77 million¹¹ established in fraud cases registered for 2012, around 51% were discovered by anti-fraud services, 25% by tax audits, whereas 14% of all cases — in monetary terms — were detected during a clearance control. Only in Spain, tax audits were the most important detection method for fraud cases in monetary terms. In the following five Member States more than 50% of all fraud cases — in established amounts — were detected by anti-fraud services: Belgium, Germany, Italy, Austria and Romania. Clearance controls were the most important method — in amounts — for the detection of fraud in Bulgaria, Latvia, Lithuania and Finland.

¹¹ See annexes 7 and 8.

2.3.1.3. Smuggled cigarettes

In 2012, there were 224 cases of smuggled cigarettes registered (CN code¹² 24 02 20 90) involving estimated TOR of around EUR 25 million. In 2011 the number of smuggled cigarettes was 291, totalling around EUR 48 million.

Table TOR1: Cases of smuggled cigarettes in 2012

Member States	Cases	TOR - Estimated or established
	N	EUR
BE	4	4 762 930
BG	6	363 255
DE	18	1 175 910
IE	5	1 774 699
EL	27	2 823 791
ES	14	747 637
FR	13	1 191 506
IT	68	8 677 026
LV	3	260 884
LT	9	330 679
HU	1	27 747
NL	10	488 158
AT	7	379 845
PL	14	479 877
RO	9	210 727
SI	1	113 483
FI	11	372 132
UK	4	376 173
EU-27	224	24 556 459

Italy reported 68 cases of smuggled cigarettes, totalling an estimated or established amount of EUR 8.7 million. This is the highest number of cases and the highest amount reported by a Member State in 2012.

No cases were reported by the Czech Republic, Denmark, Estonia, Cyprus, Luxembourg, Malta, the Netherlands, Portugal, Slovakia or Sweden.

2.3.1.4. Fraud cases by amount category

In 2012, in 502 cases of fraud (74% of all fraud cases) the established amount was below EUR 50000, whereas for 180 cases (26%) the established amount was above EUR 50000.

Table TOR2: Fraud by amount category in 2012

¹² Combined nomenclature or CN –nomenclature of the Common Customs Tariff.

Amount, EUR	Cases	Established amount
	N	EUR
< 50 000	502	8 249 824
>= 50 000	180	69 334 894
Total	682	77 584 718

The total established amount in fraud cases where the amount at stake was above EUR 50000 amounted to EUR 69 million (89% of all the established amounts in fraud cases).

2.3.2. Irregularities not reported as fraudulent

2.3.2.1. Modus operandi

In 2012 with regard to non-fraudulent irregularities, the greatest part of established amounts in OWNRES (88%) in EU-27 related to the customs procedure ‘release for free circulation’¹³. In all, 6% of all established amounts of OWNRES cases in 2012 involved inward processing. Furthermore, 2% of all established amounts of OWNRES regard customs warehousing and 2% transit procedure. There was no significant difference among Member States. In Ireland, 49% of the amounts established regarding irregularities relate to ‘release for free circulation’ and 48% to inward processing. For 2012, high amounts established regarding inward processing were reported by Spain and the United Kingdom.

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

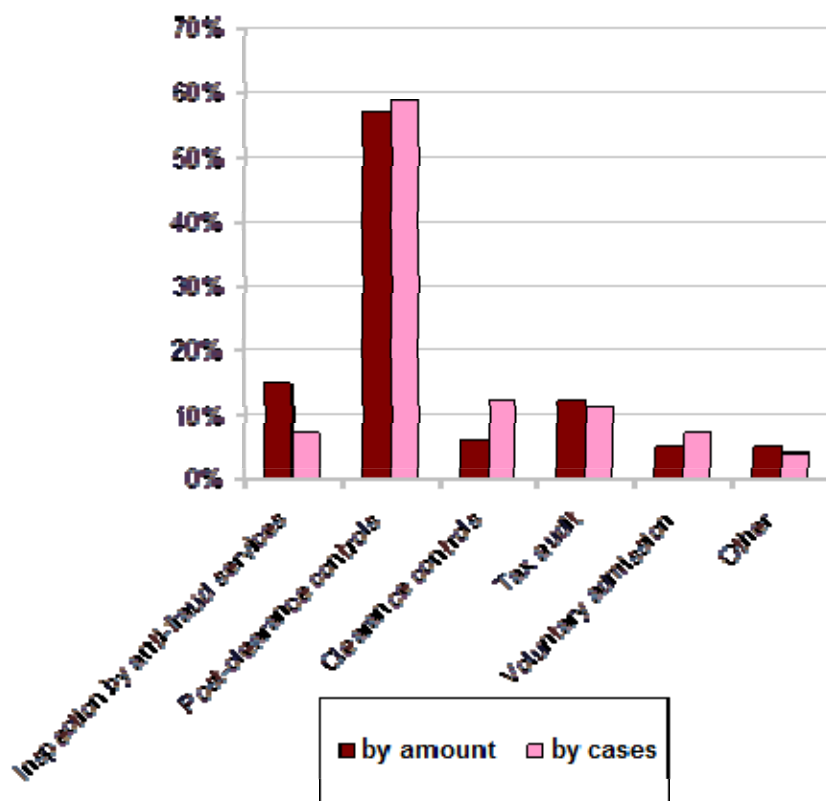
2.3.2.2. Method of detection of irregularity cases

In 2012, most irregularity cases (59%) were revealed during a post-clearance customs control. Other frequently featured methods of detection for irregularities were inspections by clearance controls (12%) and tax audits (11%) followed by anti-fraud services (7%)¹⁴.

¹³ See annex 6.

¹⁴ See annex 7 and 8.

CHART TOR6: Non-fraudulent irregularity cases - % of the method of detection by cases and established amounts in 2012



Of all non-fraudulent irregularity cases registered for 2012, around 57% — *in established amounts* — were discovered by post-clearance controls whereas 15% were detected through an inspection by anti-fraud services, 12% during a tax audit and only 6% at the time of clearance of goods. In eight Member States, more than 50% of all irregularity cases — in amounts — were detected by a post-clearance control¹⁵. In Estonia, Greece, France and Romania In the following five Member States more than 50% of all irregularity cases — in amounts — were detected by anti-fraud services. In the following five Member States more than 50% of all irregularity cases — in established amounts — were detected by primary inspections: Bulgaria, Latvia, Lithuania, Poland and Finland. Spain reported irregularity cases that were admitted voluntarily.

2.3.2.3. Non-fraudulent irregularities by amount category

In 2012, in 3 008 cases of irregularity (77% of all irregularity cases) the established amount was below EUR 50 000 whereas for 904 cases (23%) the established amount was above EUR 50 000.

The total established amount in irregularity cases where the amount at stake was above EUR 50 000 amounted to EUR 310 million (85% of all the established amounts in irregularity cases).

¹⁵ The Czech Republic, Denmark, Italy, Latvia, Hungary, the Netherlands, Slovakia and the United Kingdom.

Table TOR3: Non-fraudulent irregularities by amount category in 2012

Amount, EUR	Cases	Established amount
	N	EUR
< 50 000	3008	56 102 040
>= 50 000	904	310 606 058
Total	3912	366 708 098

2.4. Member States' activities

2.4.1. Member States' classification of cases of fraud and other irregularities and related rates

For 2012, Member States classified 682 cases as fraud out a total of 4594 cases reported via OWNRES, which implies a Fraud Frequency Level (FFL) of 15%. The differences between Member States are relatively large. In 2012 most of the Member States categorised between 10-50% of all cases as fraud. However, six Member States categorised zero cases as fraud¹⁶. Five Member States categorised between 1% and 10% of the cases as fraud.¹⁷ Four Member States registered more than 50%¹⁸ of the cases as fraud.

In 2012, in the EU, the total established and estimated amount affected by fraud was EUR 91 million and the overall Fraud Detection Rate (FDR) was 0.42%. For 2012, the highest percentages can be seen in Bulgaria with 2.63% and Spain 2.60%.¹⁹

The total established and estimated amount affected by irregularities was more than EUR 370 million which implies an Error Rate (ER) of 1.69%. The highest percentages can be seen in Romania (16.87%) and Latvia (6.54%).²⁰

The differences between Member States' classification are large which can also depend on the Member States' classification practises. This can influence the comparison of the amounts involved in fraud and irregularities by Member States. Also, individual bigger fraud cases detected in a certain year may affect importantly the annual rates. Such factors as e.g. the type of traffic, type of trade, the level of compliance of the economic operators, the location of a Member State factors can influence the rates significantly. Under these variable factors the rates are also affected on the way how the 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. Fraud

Over the period 1989-2012 OWNRES show that in average 16% (1989-2012) of the initially established amount was corrected (cancelled). The recovery rate (RR) for all years (1989-2012) is 24.37%²¹. The RR for fraud cases detected in 2012 was

¹⁶ Luxembourg did not communicate any OWNRES case.

¹⁷ Germany (6%), Hungary (5%), Slovakia (5%), France (4%) and the Netherlands (2%).

¹⁸ Malta (100%), Greece (97%), Spain (75%), Bulgaria (67%) and Slovenia (52%).

¹⁹ See annex 4.

²⁰ See annex 4.

²¹ This calculation is based on 14 420 cases, an established amount of EUR 1.69 billion (after already processed corrections) and a recovered amount of EUR 0.41 billion.

27.9%²² which is above the average rate of 25.5% for fraud cases for the period 2008-2012²³. The RR in fraud cases is clearly much lower than that for irregularities.

2.4.2.2. Other Irregularities

OWNRES shows that on the cut-off date, in average 37% (1989-2012) of the initially established amount in relation to irregularities was corrected (cancelled) since 1989. The RR for irregularity cases reported for 2012 is 50.95%²⁴. On the cut-off date, the annual RR for the last five years varies between 51% and 78%. The overall RR for all years (1989-2012) for irregularity cases combined is 64.32%²⁵.

2.4.2.3. Historical recovery rate

Also in the long term, the HRR indicates an equally strong relation, showing that recovery in fraud cases is generally much less successful than in cases of irregularity (see table TOR4). Classification of a case as fraud is thus a strong indicator for forecasting short- and long-term recovery results.

Table TOR4: Historical recovery rate (HRR)

Irregularities	HRR 1989 – 2009
	%
Reported as fraudulent	43.95%
Not reported as fraudulent	87.50%
Total	76.93%

2.4.3. Commission's monitoring

2.4.3.1. Examination of the write off reports

In 2012, 168 new write-off reports amounting to EUR 42 million were communicated to the Commission by 17 Member States. Including also earlier reported cases for which Member States sent additional information, the Commission processed in 2012 in total 263 cases totalling to almost EUR 68 million. In 88 of those cases amounting to EUR 17 million²⁶, Member States were asked to pay the outstanding amounts as they were not considered diligent in recovering those 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 monitors closely Member States' action in

²² See annex 9.

²³ On the cut-off date, for years 2008-2012, the annual RR for fraud cases varied between 22% and 33%.

²⁴ See annex 9.

²⁵ This calculation is based on 59 421 cases, an established amount of EUR 3.7 billion (after already processed corrections) and a recovered amount of EUR 2.38 billion.

²⁶ See annex 10.

relation to the observations made during its inspections. Member States show their willingness to adapt their control strategies and to implement progressively systems that provide for efficient and effective risk analysis for the protection of the EU's financial interests. Thematic reports consolidating the results of the inspections and evaluating and comparing Member States performance are frequently prepared and discussed with the Member States in view of remedying the individual shortcomings found²⁷. A general conclusion which the Commission draws from its last years inspections in Member States is that the Member States' control strategies are more and more shifting from the customs controls at the time of clearance of goods to post-clearance customs controls.

2.4.3.3. Particular cases of Member State failure to recover TOR

If TOR is not established because of an administrative error by a Member State, the Commission applies the principle of financial liability²⁸. In 2012 Member States have been held financially liable for over EUR 24.3 million and new cases are being given appropriate follow-up.

2.4.4. *Conclusions / Recommendations*

In its capacity as Authorising Officer, the Commission (DG Budget is the delegated Authorising Officer) monitors the establishment and recovery of TOR by Member States in various ways. The monitoring is carried out in partnership with different Commission departments, including OLAF. To ensure effective monitoring, reliable information regarding the number of fraud and irregularity cases and follow-up must be entered in OWNRES. Member States have a special responsibility to ensure that appropriate statistical information on irregularity and fraud is provided to the Commission.

- (1) The total number of cases of fraud and other irregularities reported in 2012 was lower than in 2011. The total established amount was, on contrary, higher than in the previous year and totalled to EUR 444 million. This is mainly due to the significant increase of the total amount established for non-fraudulent irregularity cases. The fraud figures reported in relation to TOR vary significantly from one Member State to another and can also be result of different interpretations of the provisions and practices among the Member States. Analysis clearly shows a decreasing trend of the total number of fraud cases over the last five years.
- (2) For EU-27, the established and estimated amounts (related to both fraudulent and non-fraudulent irregularities) in OWNRES represent 2.10 % of the TOR collected for 2012. The percentage varies among the Member States. Based on experience from previous years, it is likely that this figure for 2012 will change in future years due to new establishments and/or corrections of establishment.

²⁷ A report on Member States' local clearance procedures summing up the results of the inspections carried out in 2011 in all Member States was presented to the Advisory Committee on Own Resources on 6 December 2012.

²⁸ Case C-392/02 of 15/11/2005. These cases are identified on the basis of Articles 220(2)(b) (administrative errors which could not reasonably have been detected by the person liable for payment) and 221(3) (time-barring resulting from Customs' inactivity) of the Customs Code, Articles 869 and 889 of the Provisions for application of the Code, or on the basis of non-observance by the customs administration of Articles of the Customs Code giving rise to legitimate expectations on the part of an operator.

- (3) During its last years' inspections in the Member States, the Commission observed a shift in Member States' control strategies from customs controls carried out at the time of clearance of goods to controls carried out after the clearance. The data retrieved from OWNRES confirms this development in the Member States and shows that in particular for the detection of irregularities, customs controls carried out after the clearance of goods are an effective method.
- (4) Analysis reveals that for the detection of fraud cases, customs controls carried out at the time of clearance of goods are an important method and results in classifying cases as fraud more often than other control methods. During inspections carried by anti-fraud services and tax audits, fraud cases with higher amounts are detected.
- (5) Based on the above mentioned analysis, it can be concluded that the customs controls at the time of clearance of goods are of high importance for fraud detection. Therefore, Member States should take this fact into account when developing their customs control strategies. In parallel with developing their post-clearance customs controls activities, Member States should ensure that they have effective systems of risk assessment allowing them also to carry out at the time of clearance well targeted controls on imports with high risk of fraud.
- (6) Almost 47 % of all established amounts in relation to cases of fraud and irregularities reported in 2012 have been already recovered. Analysis shows that certain particulars of a case may be used as indicators for forecasts of recovery. Cases regarding fraud decrease the chance of successful recovery.

Member States should continue their activities in the field of establishment and recovery and provide required statistical information. The Budgetary Authority is entitled to have available the best possible information when monitoring TOR and recovery issues.

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 2012 appropriations for the Natural Resources Policies

Financial instrument	Management mode	Appropriations 2012		As % of total budget	
		Commitments EUR billion	Payments EUR billion	Commitments %	Payments %
EAGF	Shared	43.7	43.7	30.2%	34.4%
EAFRD	Shared	14.6	12.1	10.1%	9.5%
EFF	Shared	0.7	0.5	0.5%	0.4%
TOTAL		59.0	56.3	40.8%	44.4%

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 sectoral 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 2012 appropriations for the CAP

Financial instrument	Management mode	Appropriations 2012		As % of total budget	
		Commitments	Payments	Commitments	Payments
		EUR billion	EUR billion	%	%
EAGF	Shared	43.7	43.7	30.2%	34.4%
EARDF	Shared	14.6	12.1	10.1%	9.5%
TOTAL		58.3	55.8	40.3%	44.0%

3.2. General analysis – Trend analysis

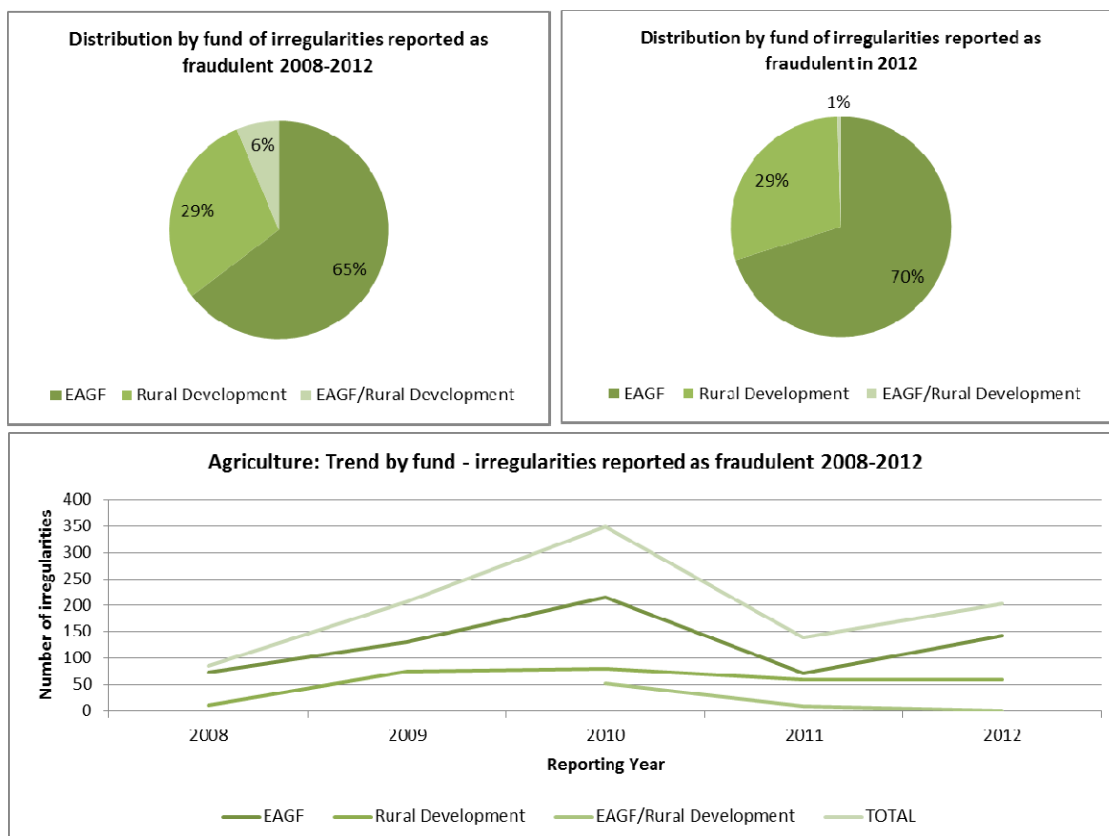
3.2.1. Irregularities reported as fraudulent

Table NR3 presents the trend of the irregularities reported as fraudulent by Member States for the period 2008-2012 in relation to the fund concerned.

The share of the irregularities reported as fraudulent affecting the EAFRD in 2012 is stable in comparison with the five years period. It is somewhat higher than the part of the financial resources that this fund enjoys within the agriculture policy area.

Table NR3: Irregularities reported as fraudulent by Fund – 2008-2012 for the CAP

FUND	REPORTING YEAR					TOTAL
	2008	2009	2010	2011	2012	
EAGF	74	131	216	72	143	636
Rural Development	12	75	80	59	60	286
EAGF/Rural Development			52	9	1	62
TOTAL	86	206	348	140	204	984



The EAFRD has been established since 2007 and therefore the low number of irregularities reported as fraudulent in 2008 is linked to the initial implementation of this fund. Since 2009 the number of irregularities reported as fraudulent has remained stable, while those linked to the EAGF (referred also partly to financial years before the 2007 reform) have more significant fluctuations.

3.2.2. Irregularities not reported as fraudulent

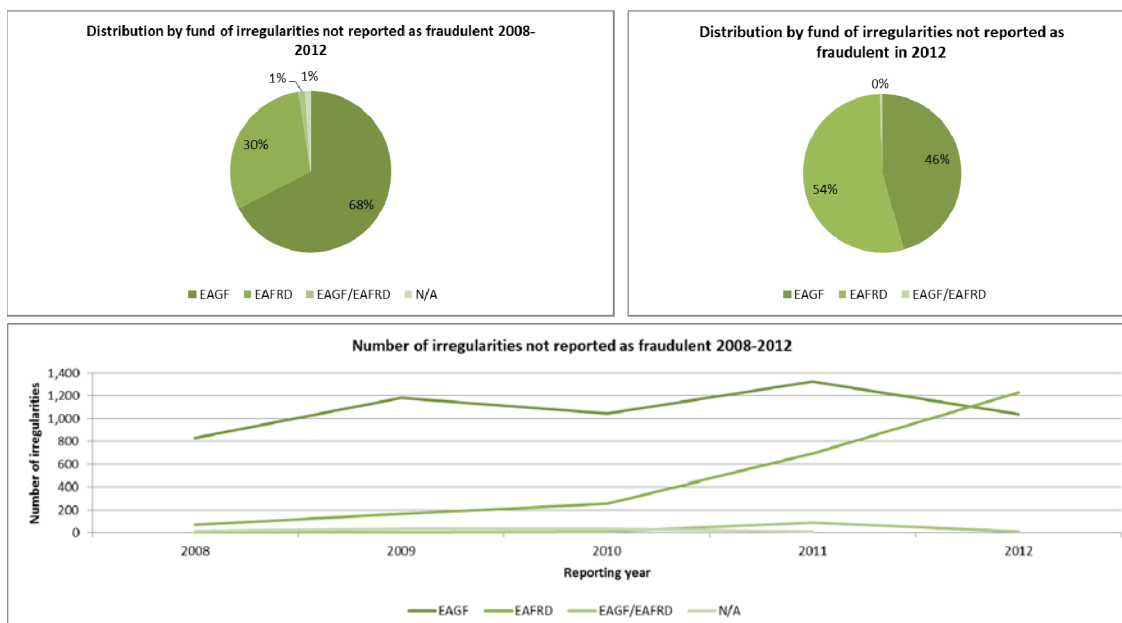
Regarding irregularities not reported as fraudulent, the number of those reported relating to EAFRD has been constantly increasing, while those related to EAGF has remained relatively stable. Consistently with this trend, also the irregular amounts linked to the rural development instrument have been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

As a positive remark, which underlines the increasing quality of the information received, the number of the irregularities that could not be related to any fund has been continuously decreasing until disappearing entirely in 2012.

Table NR4 displays the information related to the trend in irregularities not reported as fraudulent.

Table NR4: Irregularities not reported as fraudulent by Fund – 2008-2012 for the CAP

FUND	Number of irregularities not reported as fraudulent					
	2008	2009	2010	2011	2012	TOTAL
EAGF	831	1 184	1 043	1 323	1 036	5 417
EAFRD	71	166	257	690	1 228	2 412
EAGF/EAFRD	3	1	8	86	9	107
N/A	15	33	31	12		91
TOTAL	2 928	3 393	3 349	4 122	4 285	8 027



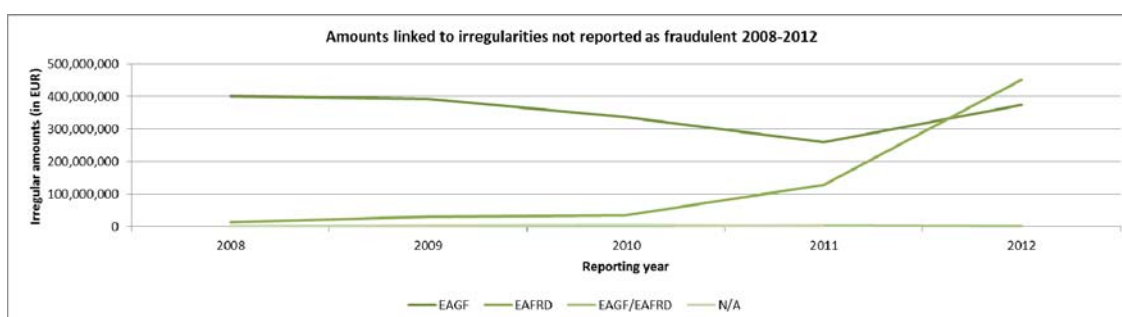
Unlike fraudulent irregularities the largest share, both in terms of numbers and amounts, in 2012 is for the non-fraudulent irregularities linked to the EAFRD.

The increase in the irregular amounts related to the EAFRD is also determining the situation that 2012 represents the highest peak in relation to irregular amounts linked to non-fraudulent irregularities of the last five years.

Table NR5 shows the information concerning the years 2008-2012.

Table NR5: Financial amounts linked to irregularities not reported as fraudulent by Fund – 2008-2012 for the CAP

FUND	Financial amounts linked to irregularities not reported as fraudulent					
	2008	2009	2010	2011	2012	TOTAL
EAGF	401 507 454	392 550 069	336 805 029	259 285 687	375 012 344	1 765 160 582
EAFRD	13 616 196	30 579 161	35 075 011	129 065 270	451 703 543	660 039 182
EAGF/EAFRD	501 931	234 611	1 090 431	3 036 137	718 112	5 581 221
N/A	2 246 907	3 353 598	5 447 941	1 064 298		12 112 744
TOTAL	417 874 496	426 719 448	378 420 421	392 453 403	827 436 011	2 442 893 728



3.3. Specific analysis

3.3.1. Irregularities reported as fraudulent

3.3.1.1. Modus operandi

Table NR6 compares the types of irregular / *modi operandi* linked to fraudulent cases detected in 2012 with those detected from 2008 to 2012 (included).

The most recurrent modus operandi is related to the infringement of limits, quotas or thresholds (related, respectively to products, species or land). However, this is the result of the reporting from Denmark of 56 cases, all presenting the same modus operandi and, probably linked to the same investigation.

Anyhow, the most recurring other modi operandi identified have not significantly changed in relation to the period 2008-2012, and are those directly linked to the idea of fraudulent behaviour, *i.e.* 'false or falsified declarations', 'false or falsified documents' and 'false or falsified request for aid'.

'False or falsified documents' also remains the most "dangerous" type of fraudulent irregularity in relation to the amounts which are affected by this practice.

Table NR6: Types of irregularities in relation to the CAP

Type of irregularity	Irregularities reported as fraudulent in 2012		Irregularities reported as fraudulent 2008-2012	
	N	EUR	N	EUR
product, species and/or land \ quantities outside permitted limits, quotas, thresholds	56	1 310 263	56	1 310 263
product, species and/or land \ overdeclaration and/or declaration of fictitious product, species and/or land	33	4 774 047	154	8 545 247
documentary proof \ documents false and/or falsified	29	16 773 640	185	48 712 622
request \ false or falsified request for aid	28	2 441 176	69	6 150 795
beneficiary \ other irregularities concerning the operator/beneficiary	7	1 559 986	26	2 123 890
beneficiary \ operator/beneficiary not having the required quality	6	541 762	12	1 098 728
(blank)	6	372 200	7	409 295
other irregularities (to be specified)	6	653 931	29	4 872 351
documentary proof \ documents incorrect	5	1 463 132	10	1 627 711
product, species and/or land \ over or under production	3	79 262	4	154 880
product, species and/or land \ unauthorised use	2	31 028	5	97 105
(non-)action \ other actions not carried out in accordance with regulations, rules, contract conditions, etc.	2	74 114	24	1 397 071
request \ incorrect or incomplete request for aid	2	57 089	20	686 166
request \ other irregularities concerning the request for aid	2	590 387	7	736 271
product, species and/or land \ fictitious use or processing	2	7 057 970	2	7 057 970
accounts and records \ falsified accounts	2	49 847	2	49 847
OTHER	13	30 544 844	372	134 169 907
TOTAL	204	68 374 680	984	219 200 120

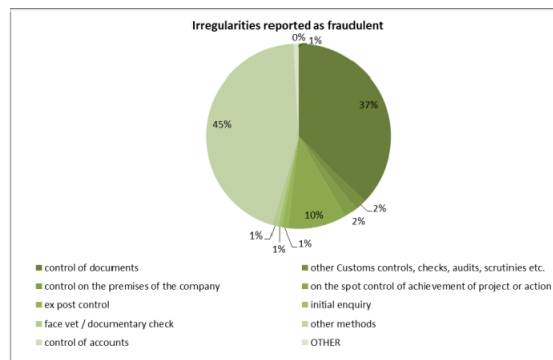
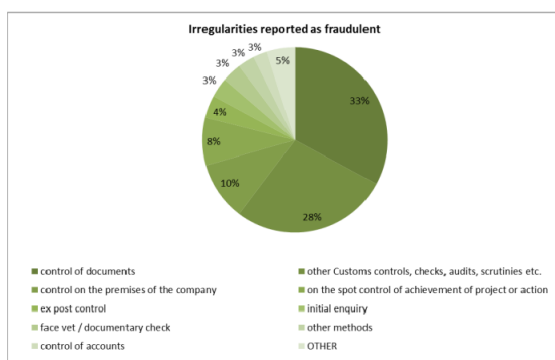
A single case of corruption has been reported (it is comprised within the category 'OTHER') and involves an amount of about EUR 28 million (on the 30.5 million of that group). This case, reported by the Netherlands, is related to the financial year 1998 and due to its complexity and the secrecy of investigations has been reported only in 2012.

3.3.1.2. Type of control / Method of detection

Table NR7 shows the types of controls having identified the irregularities reported as fraudulent in 2012.

Table NR7: Control methods having identified the irregularities reported as fraudulent in 2012

Type of control	Irregularities reported as fraudulent in 2012	
	N	EUR
control of documents	67	25 529 755
other Customs controls, checks, audits, scrutinies etc.	56	1 310 263
control on the premises of the company	21	1 538 698
on the spot control of achievement of project or action	17	7 067 598
ex post control	8	760 940
initial enquiry	7	445 596
face vet / documentary check	7	712 213
other methods	6	30 369 733
control of accounts	5	155 347
OTHER	10	484 538
TOTAL	204	68 374 680



The bodies having identified the majority of the irregularities reported as fraudulent are mainly the anti-fraud bodies, while the criminal investigations deal with the cases with the highest financial impact as showed in Table NR8.

Table NR8: Types of controls having detected the irregularities reported as fraudulent in 2012 in relation to the CAP

Type of control	Irregularities reported as fraudulent in 2012	
	N	EUR
Administrative control	110	15 103 706
Anti-fraud control	90	17 300 115
Criminal investigation	4	35 970 859
TOTAL	204	68 374 680

Among the 90 cases related to Anti-fraud controls, 56 were reported from Denmark and 27 from Italy.

3.3.1.3. Complexity of the irregularities reported as fraudulent

Table NR9 provides a first estimation of the level of complexity of the irregularities reported as fraudulent. It also compares the situation of those reported in 2012 with those communicated in the reference period 2008-2012 (included).

The share of the 'complex' cases remains stable in 2012 in relation to the reference period, while share of the 'simple' fraudulent irregularities decreases with a consequent increase of the 'moderate' complexity category.

The 'complex' cases are exclusively referred to the EAGF, while none concerns the EAFRD (not only in 2012, but in the whole reference period).

Table NR9: Complexity of fraudulent irregularities detected in relation to the CAP

Complexity	Fund	Irregularities reported as fraudulent in 2012				Irregularities reported as fraudulent 2008-2012			
		EAFRD	EAGF	EAGF/EAFRD	Total 2012	EAFRD	EAGF	EAGF/EAFRD	Total
Simple		39	44	0	83	198	220	37	455
Moderate		16	92	1	109	60	383	24	467
Complex		0	3	0	3	0	13	1	14
TOTAL		55	139	1	195	258	616	62	936



This is the first attempt of estimating the proportion of 'complex' cases on the total fraudulent irregularities identified. Therefore the method is liable of being improved in the next years.

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. Four 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;
- (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 ratio of cases of established fraud on the total number of irregularities reported as fraudulent.

3.4.1. Detection – Reporting Efficiency

Table NR10 shows the average number of months between the moment in which the fraudulent practice is put in place and when the fraudulent irregularity it is detected/established (Detection Efficiency – DetE) and then the average number of months between its establishment and the reporting (Reporting Efficiency – RepE) to the Commission.

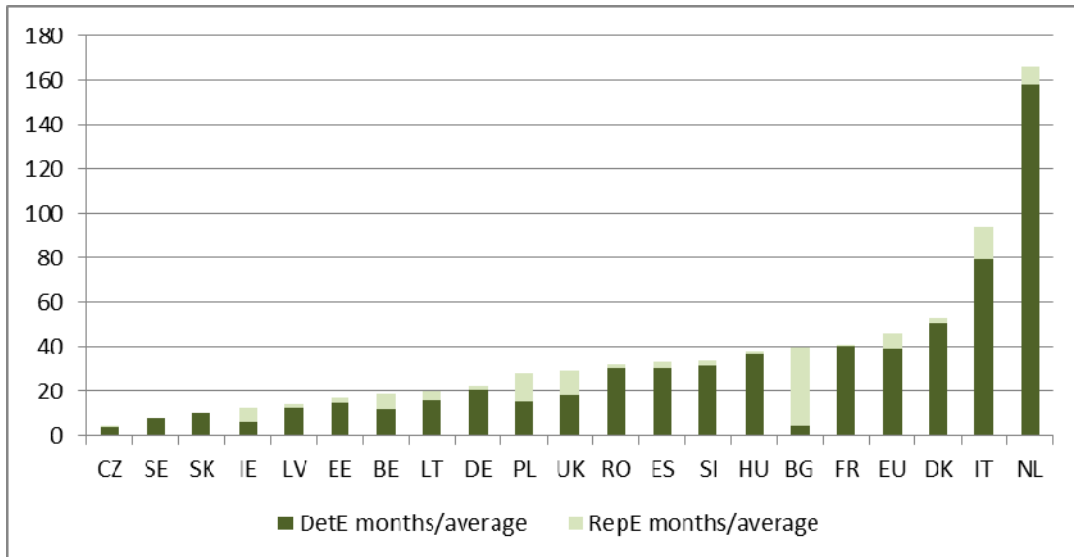
The EU average is almost four years (47 months) between the first and the last of those events (DetE + RepE).

The duration of the DetE should not be seen as a sign of inefficiency *per se*. More relevant, in this respect, is the RepE, which is, in average, about 7 months, an acceptable time frame.

For most of the Member States (17) having reported fraudulent irregularities in 2012, have a DetE lower than 40 months. Only three (Italy, Denmark and the Netherlands) are above this average.

Table NR10: Detection and Reporting Efficiency by Member State

Member State	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
CZ	4	1	4
SE	8	1	8
SK	10	0	10
IE	6	7	13
LV	12	2	14
EE	15	2	17
BE	12	7	18
LT	16	4	20
DE	20	2	22
PL	15	13	28
UK	18	11	29
RO	30	2	32
ES	30	3	33
SI	31	3	34
HU	37	1	38
BG	4	35	40
FR	40	1	41
EU	39	7	46
DK	50	3	53
IT	79	14	94
NL	158	8	166



However, it should be taken into account that Italy and Denmark are also among the countries having reported the highest number of fraudulent irregularities, while in the case of the Netherlands, the result depends exclusively on a single case related to an

irregularity linked to the financial year 1998, having involved a criminal investigation²⁹.

3.4.2. *Detection of irregularities reported as fraudulent in 2012 by Member State*

Map NR1 divides Member States in four groups, depending on the number of irregularities reported as fraudulent in 2012:

- (1) Group 1: no irregularities reported as fraudulent irregularities in 2012;
- (2) Group 2: between 1 and 9 such cases reported in 2012;
- (3) Group 3: 10 to 30 irregularities reported as fraudulent;
- (4) Group 4: more than 30 cases reported.

The composition of these groups is similar to the previous years, with the significant exception of Denmark, which is in Group 4, while in previous years it was in Group 1 or 2.

Map NR1: Number of irregularities reported as fraudulent in 2012 by Member State - CAP



The detailed figures of Map NR1 are showed in Table NR9.

²⁹ Judicial authorities performed searches on the premises of involved persons in 2003, first in Belgium, and later on in other Member States including the Netherlands, which reported it in 2012 due to the secrecy of the penal procedure, which was levied at that date. The case represents an anomaly not caused by flaws in the Dutch system of control and financial management.

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 2012, the highest fraud detection rates are referred to the Netherlands, Estonia, Italy, Romania, Hungary and Denmark.

Table NR11: number of irregularities reported as fraudulent in 2012, amounts involved and fraud detection rate by Member State

Member State	Suspected fraud	Established fraud	TOTAL	Expenditure 2012	Fraud Detection Rate
	N	N	N	EUR	%
Belgium	1	1	11 569	710 435 542	0.00%
Bulgaria	5		118 895	858 214 181	0.01%
Czech Republic	2		31 028	1 176 205 360	0.00%
Denmark	56		1 310 263	1 005 733 342	0.13%
Germany	7	2	1 758 429	6 735 342 052	0.03%
Estonia	11		2 988 626	239 272 458	1.25%
Ireland	4		123 343	1 587 108 555	0.01%
Greece				2 724 266 415	0.00%
Spain	6		150 841	6 666 334 228	0.00%
France	2		115 794	9 604 588 538	0.00%
Italy	32		21 020 173	6 118 554 275	0.34%
Cyprus				64 921 328	0.00%
Latvia	3		79 903	341 458 878	0.02%
Lithuania	1		375 000	559 630 248	0.07%
Luxembourg				34 286 139	0.00%
Hungary	14		2 474 121	1 605 175 276	0.15%
Malta				14 178 344	0.00%
Netherlands	1		28 721 881	961 886 769	2.99%
Austria				1 356 782 663	0.00%
Poland	33	2	5 050 518	4 812 463 459	0.10%
Portugal				1 368 061 654	0.00%
Romania	10		3 536 865	2 105 061 236	0.17%
Slovenia	3		93 007	246 888 804	0.04%
Slovakia	2		235 283	501 845 797	0.05%
Finland				852 173 186	0.00%
Sweden	2		16 508	1 003 332 028	0.00%
United Kingdom	3	1	162 633	4 038 563 214	0.00%
TOTAL	198	6	68 374 680	57 292 763 967	0.12%

In relation to the Netherlands, the result, as already mentioned, is due to a case related to the financial year 1998, established in 2011 (after a complex criminal investigation in the Netherlands and Belgium) and reported in 2012. In this case, the picture provided by the indicator is clearly distorted and this should be taken into account.

3.4.4. Ratio of established fraud 2008-2012

Table NR12 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 2008-2012. Taking into account only cases reported in 2012

would be meaningless, as the criminal proceedings leading to a conviction for fraud may take several years.

In this respect, the average ratio of established fraud at EU level is 6%, with Latvia, Bulgaria, Germany, the United Kingdom and Slovenia showing a rate above this level, and Poland presenting a rate in line with the EU average.

Table NR12: number of cases of suspected and established fraud and ratio of established fraud – cases reported between 2008-2012 in the CAP

Member State	Suspected fraud	Established fraud	TOTAL	Ratio established fraud
	N	N	N	%
Belgium	16	1	17	6%
Bulgaria	128	27	155	17%
Czech Republic	5		5	0%
Denmark	57		57	0%
Germany	19	3	22	14%
Estonia	18	1	19	5%
Ireland	4		4	0%
Greece	11		11	0%
Spain	40	1	41	2%
France	27		27	0%
Italy	199	5	204	2%
Latvia	4	1	5	20%
Lithuania	6		6	0%
Hungary	89	3	92	3%
Netherlands	5		5	0%
Austria	4		4	0%
Poland	171	11	182	6%
Portugal	5		5	0%
Romania	95		95	0%
Slovenia	13	1	14	7%
Slovakia	2		2	0%
Finland	1		1	0%
Sweden	4		4	0%
United Kingdom	6	1	7	14%
TOTAL	929	55	984	6%



A significant impact on the rate is determined by the number of irregularities reported as fraudulent by Member States. In this respect, the countries which influence the EU average results are Italy, Poland, Bulgaria, Romania and, as of 2012, Denmark.

3.5. Recovery cases

Regulation (EC) No 1290/2005 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, will 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, since 2008, Member States are required to off-set any outstanding debts against future payments to the debtor (compulsory compensation).

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.

Regarding financial year 2012, Member States reported the information about irregularity cases by 1 February 2013. Based on the information available in March 2013, Member States recovered during financial year 2012 EUR 169.4 million from the beneficiaries, and the overall outstanding amount still to be recovered from the beneficiaries at the end of that financial year was EUR 1 216.8 million. The financial consequences of non-recovery for cases dating from 2008 or 2004 will be determined in accordance with the 50/50 rule mentioned above by charging approximately EUR 14.3 million to the Member States concerned. Moreover, around EUR 31.8 million will be borne by the EU budget for cases reported irrecoverable during financial year 2012. Due to the application of the 50/50 rule for the seventh time since its introduction, important non-recovered sums have already been charged to the Member States for EAGF expenditure. Out of the EUR 1 216.8 million to be recovered from the final beneficiaries at the end of financial year 2012 the amount

outstanding towards the EU budget was to EUR 961.4 million (the difference having already been charged to the Member States via the 50/50 mechanism). As regards the recovery of undue payments financed by the EAFRD, it has to be noted that the 50/50 rule will only commence being applied after the closure of the rural development programmes.

The new 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 2012, 43% 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 NR13.

Table NR13: Rate of recovery from beneficiaries of irregularities detected since 2007 (EAGF)

		recovery rate					
		until end of 2007	until end of 2008	until end of 2009	until end of 2010	until end of 2011	until end of 2012
year of discovery of the irregularity	2007	33%	47%	50%	53%	60%	68%
	2008	-	24%	40%	47%	49%	58%
	2009	-	-	24%	33%	42%	44%
	2010	-	-	-	29%	39%	44%
	2011	-	-	-	-	23%	34%
	2012	-	-	-	-	-	34%
	2007-2012	-	-	-	-	-	43%

It is worth noting that some of these new debt amounts were already written off by Member States in the period 2007-2012 (EUR 43.5 million) and therefore they will most likely not be recovered. For more details on the recovery rates at Member State level, see the Table NR14.

Table NR14: Recoveries from beneficiaries for cases detected since 2007 in EUR (EAGF)

MS	New cases since 2007	Adjustments	Recoveries	Recovery rate
	EUR	EUR	EUR	%
Belgium	78 387 953	-1 131 940	-17 868 511	23%
Bulgaria	837 332	63 029	-34 732	4%
Czech Republic	2 271 171	-156 017	-2 049 630	97%
Denmark	31 239 591	7 343 133	-20 650 467	54%
Germany	63 174 200	2 170 907	-50 957 370	78%
Estonia	2 293 855	-1 046 729	-1 181 829	95%
Ireland	22 724 278	-2 253 252	-16 687 786	82%
Greece	39 823 780	-9 919 612	-5 306 604	18%
Spain	200 447 379	-21 335 636	-101 248 153	57%
France	151 307 870	98 338 821	-54 594 725	22%
Italy	208 164 155	61 018 883	-90 509 179	34%
Cyprus	1 676 264	-18 861	-1 394 626	84%
Latvia	1 405 507	-43 684	-978 646	72%
Lithuania	5 377 987	-2 424 824	-2 732 968	93%
Luxembourg	796 990	-460 919	-245 609	73%
Hungary	26 482 720	1 412 765	-9 216 353	33%
Malta	1 061 367	27 271	-387 187	36%
Netherlands	22 239 415	-1 755 949	-19 775 664	97%
Austria	27 196 476	-2 110 754	-23 499 330	94%
Poland	9 449 691	1 259 585	-7 480 754	70%
Portugal	64 957 596	-8 594 979	-21 910 340	39%
Romania	10 321 339	1 180 814	-4 446 626	39%
Slovenia	14 606 599	-47 301	-3 669 977	25%
Slovakia	2 365 704	-850 579	-394 857	26%
Finland	6 417 677	162 438	-5 783 692	88%
Sweden	21 352 751	-1 841 578	-11 168 808	57%
United Kingdom	39 598 559	-7 579 466	-25 948 440	81%
TOTAL	1 055 978 204	111 405 566	-500 122 863	43%

The recovery rate of 43% is significantly affected by the low rates displayed by six Member States (below 30%), while it is worth pointing out that 13 Member States have recovered more than 70% of the amounts at stake.

During the years 2008-2012, the Commission has been auditing the correct application of the new clearance mechanism through 21 on-the-spot controls in 14 Member States (including all EU-15 Member States with a low recovery rate for the cases detected since 2007). 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 22 conformity clearance procedures (desk audits).

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 is proceeding more slowly than that of other policy under shared management. For this reason, the number of irregularities reported by Member States in relation to this fund is limited and has started in 2010.

Table NR15 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.

Table NR15: EFF - Irregularities (fraudulent and non-fraudulent reported by year – 2010-2012

	2010		2011		2012		TOTAL	
	N	EUR	N	EUR	N	EUR	N	EUR
Irregularities reported as fraudulent			1	22 580	4	668 581	5	691 162
Irregularities not reported as fraudulent	6	14 687	29	563 390	76	12 552 750	111	13 130 828
TOTAL	6	14 687	30	585 971	80	13 221 332	116	13 821 989

Table NR16 provides an overview of the payments and of the detected irregular amounts since the beginning of the implementation of the EFF funded programmes and until the end of 2012.

Table NR16: EFF - Payments and detected irregular amounts 2010-2012

Financial instrument	Management mode	Payments 2008-2012	Detected irregular amounts 2008-2012	Irregularity detection rate	Fraud detection rate
		EUR	EUR	%	%
EFF	Shared	1 363 239 983	13 821 989	1.0%	0.1%

4.2. Specific analysis

Given the limited number of irregularities reported so far, the analysis covers the whole period 2010-2012.

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 116 detected irregularities (fraudulent and non-fraudulent), 13 do not indicate the *modus operandi* (almost 10% of the total).

The most detected typology is 'Not eligible expenditure', followed 'Absence or late declaration' and 'Infringements of public procurement rules'. These three types alone cover almost 60% of the reported irregularities.

In relation to the 5 irregularities reported as fraudulent, the most frequent *modus operandi* is, the use of 'False or falsified supporting documents'

4.2.2. *Method of detection*

In relation to the methods of detection, the most frequently reported are 'Control of documents', 'Administrative controls' and 'On-the-spot checks'.

4.3. **Control activity by Member States**

Table NR17 shows the results of the control activities in the Member States.

Irregularities have been detected and reported by 13 Member States; fraudulent irregularities by 5 Member States. In terms of numbers of irregularities, the majority has been detected by Spain and Poland, while in terms of amounts the highest results have been obtained by Romania and Spain.

Table NR17: EFF – Irregularities (fraudulent and non-fraudulent) reported by Member State – 2010-2012

MEMBER STATE	Irregularities reported as fraudulent		Irregularities not reported as fraudulent	
	N	EUR	N	EUR
Czech Republic			2	202 636
Ireland			10	136 460
Spain			35	3 039 296
Italy	2	111 414	5	195 845
Latvia	1	347 118		
Poland			11	330 596
Portugal	1	210 050	6	828 250
Romania			3	7 664 966
Slovenia			1	18 000
Finland			1	94 935
TOTAL	4	668 581	74	12 510 984

Sustainable Growth

Cohesion for Growth and Employment is key to achieving the goal of Sustainable Growth to support and promote a competitive, inclusive and green economy. The aim is also to create inclusive growth by ensuring that all citizens and regions can compete and contribute to the economy. Cohesion Policy is promoted using three shared management instruments. Shared management means money is distributed to Member States who adjust to local priorities compatible with the EU aims. 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.

Table CP1: Financial instruments and 2012 appropriations for the Cohesion Policy by programming period and financial instruments

Programming Period / Financial Instrument	Appropriations 2012		As % of total budget	
	Commitments	Payments	Commitments	Payments
	EUR billion	EUR billion	%	%
Programming Period 2007-13	52.48	45.12	36.3%	35.6%
ERDF	29.43	25.75	20.4%	20.3%
Cohesion Fund	11.77	8.66	8.1%	6.8%
ESF	11.28	10.71	7.8%	8.4%
Programming Period 2000-06	0.00	2.38	0.0%	1.9%
ERDF	0.00	1.68	0.0%	1.3%
ESF	0.00	0.56	0.0%	0.4%
EAGGF	0.00	0.14	0.0%	0.1%
FIFG	0.00	0.00	0.0%	0.0%
Cohesion Fund 2000-06	-0.28	1.02	-0.2%	0.8%
TOTAL 2012	52.21	48.51	36.1%	38.2%

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 (2008-2012), making a distinction by Fund involved and the relevant programming period.

In the last three years, while the fraudulent irregularities linked to the PP2000-06 have been decreasing, 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.

Table CP2: trend of the number of irregularities reported as fraudulent between 2008 and 2012 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR				
	2008	2009	2010	2011	2012
Programming Period 2007-13		50	66	150	198
Cohesion Fund			3	4	17
ERDF		10	36	97	109
ESF		40	27	49	72
Programming Period 2000-06	218	276	239	80	81
Cohesion Fund	1				
ERDF	90	98	50	36	42
ESF	96	155	133	34	22
EAGGF - Guidance	27	20	51	9	16
FIFG	4	3	5	1	1
TOTAL	218	326	305	230	279

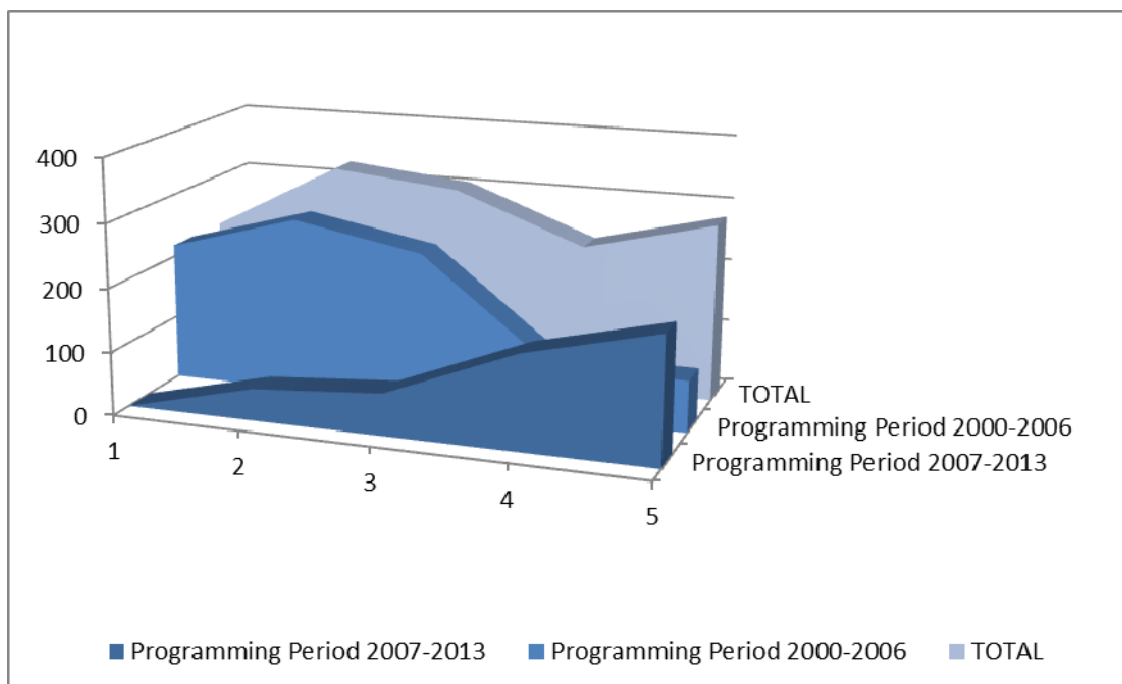
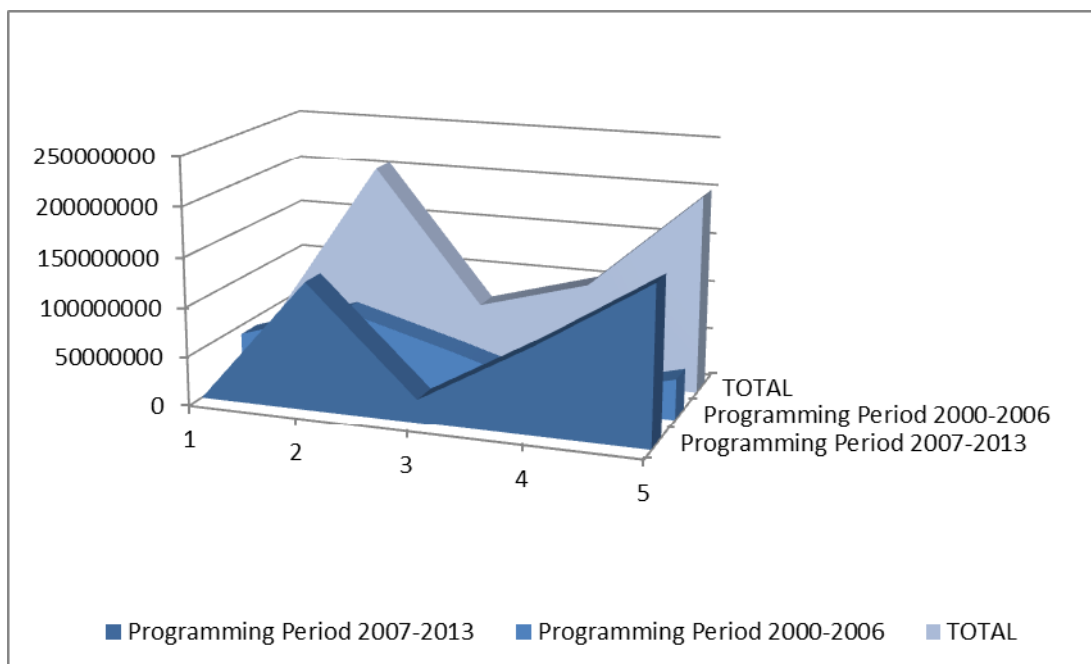


Table CP2 and its associated chart do not include irregularities reported as fraudulent related to previous programming periods, which have been communicated until 2011.

Table CP3 provides in the same form of Table CP2 information about the trends linked to the amounts involved in cases reported as fraudulent and confirms the raising trend related to the PP2007-13, although in this domain fluctuations are much more significant as individual cases involving high amounts can easily distort the overall picture.

Table CP3: trend of financial amounts linked to the irregularities reported as fraudulent between 2008 and 2012 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR				
	2008	2009	2010	2011	2012
Programming Period 2007-13	0	129 157 482	23 587 446	88 157 262	159 258 242
Cohesion Fund			10 525 386	18 921 112	25 318 160
ERDF		127 158 114	9 382 046	66 681 486	117 496 688
ESF		1 999 368	3 680 014	2 554 664	16 443 394
Programming Period 2000-06	40 791 566	76 501 604	46 004 275	13 191 452	41 337 382
Cohesion Fund	0				
ERDF	17 619 439	57 613 952	28 622 953	9 959 662	35 030 394
ESF	14 435 226	16 146 175	7 934 528	2 330 078	2 826 533
EAGGF - Guidance	7 970 610	1 540 531	7 608 360	873 846	3 337 371
FIFG	766 291	1 200 946	1 838 433	27 865	143 085
TOTAL	40 791 566	205 659 086	69 591 721	101 348 714	200 595 624



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 two circumstances:

- (1) The increase since 2010 of cases concerning the ERDF and Cohesion Fund
- (2) A significant decrease, in relation to the years 2009-2010, of the cases related to the ESF.

Table CP4: trend of the number of irregularities reported as fraudulent between 2008 and 2012 by Fund – Cohesion Policy

FUND	REPORTING YEAR					TOTAL
	2008	2009	2010	2011	2012	
Cohesion Fund	1	0	3	4	17	25
ERDF	90	108	86	133	151	568
ESF	96	195	160	83	94	628
EAGGF - Guidance	27	20	51	9	16	123
FIFG	4	3	5	1	1	14
TOTAL	218	326	305	230	279	1358

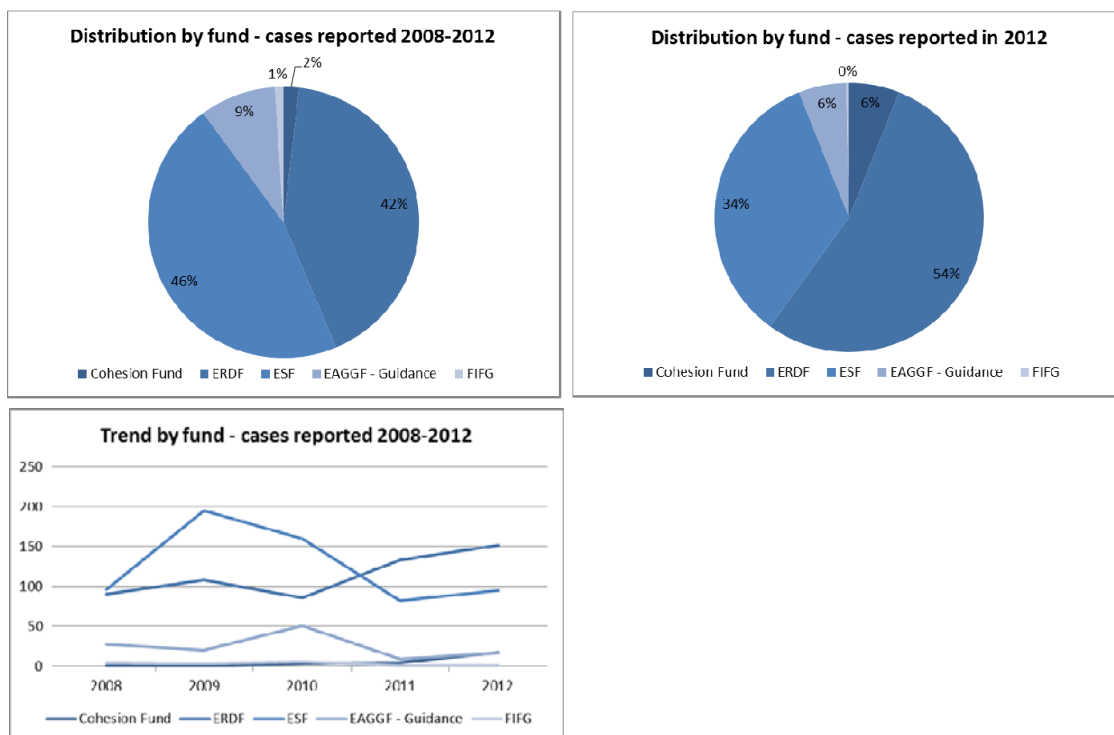


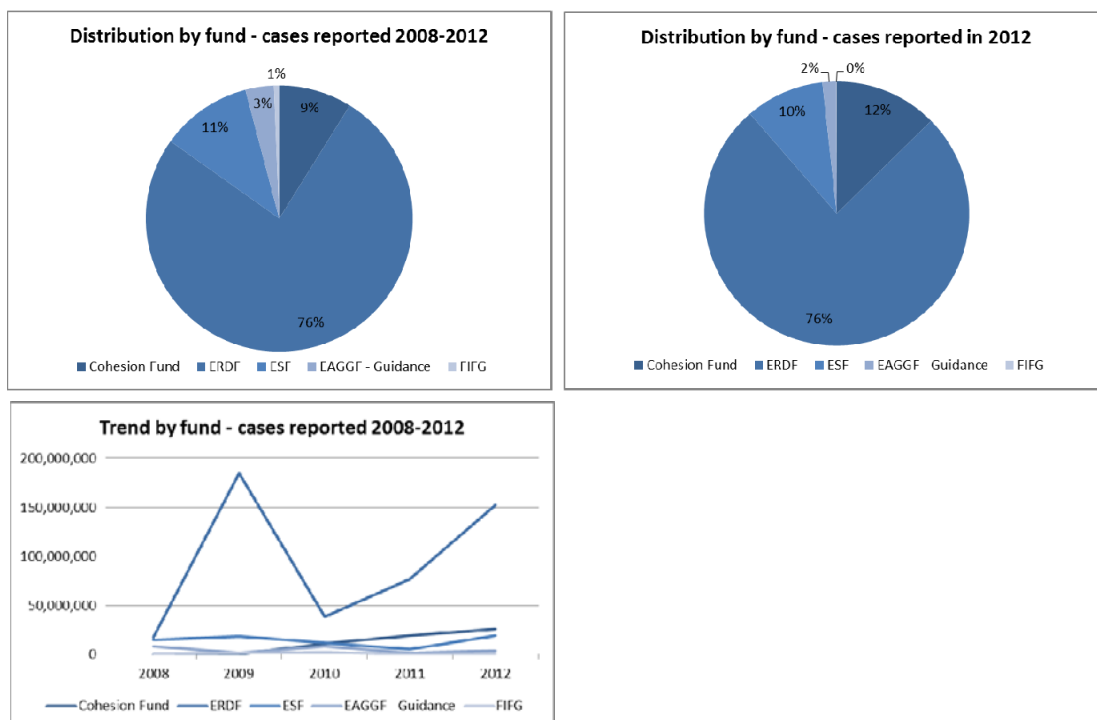
Table CP5 analyses these trends examining the financial amounts linked to the irregularities reported as fraudulent in the reference period.

In this respect, the weight of the ERDF on the total is accentuated by the higher amounts with which this fund contributes to the co-financing of development projects.

Since 2010 the increasing weight of the Cohesion Fund and of the ERDF is confirmed also in relation to the amounts involved.

Table CP5: trend of financial amounts linked to the irregularities reported as fraudulent between 2008 and 2012 by fund – Cohesion Policy

FUND	REPORTING YEAR					TOTAL
	2008	2009	2010	2011	2012	
Cohesion Fund	0	0	10 525 386	18 921 112	25 318 160	54 764 658
ERDF	17 619 439	184 772 066	38 004 999	76 641 148	152 527 082	469 564 734
ESF	14 435 226	18 145 543	11 614 542	4 884 742	19 269 927	68 349 980
EAGGF - Guidance	7 970 610	1 540 531	7 608 360	873 846	3 337 371	21 330 718
FIFG	766 291	1 200 946	1 838 433	27 865	143 085	3 976 620
TOTAL	40 791 566	205 659 086	69 591 721	101 348 714	200 595 624	617 986 711



5.1.1.3. Trend by objective

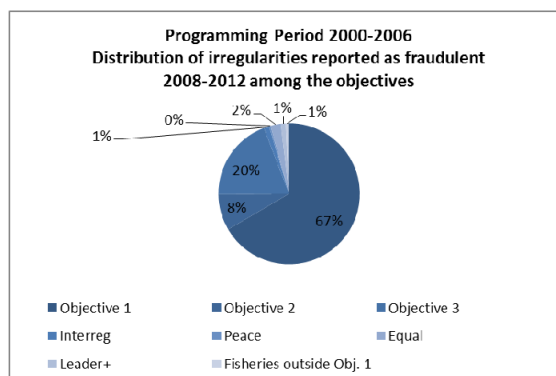
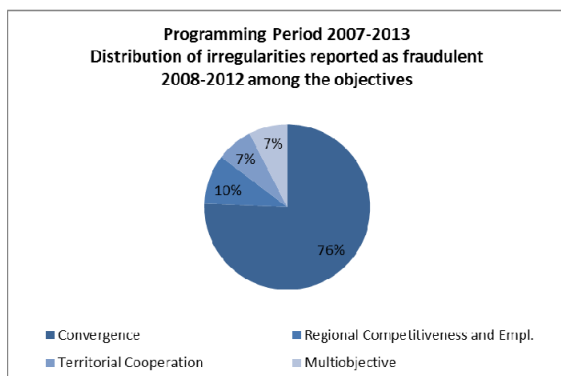
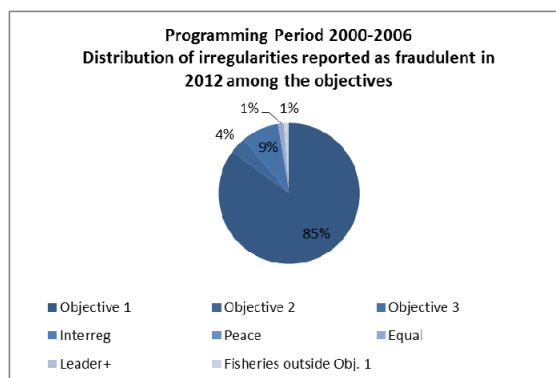
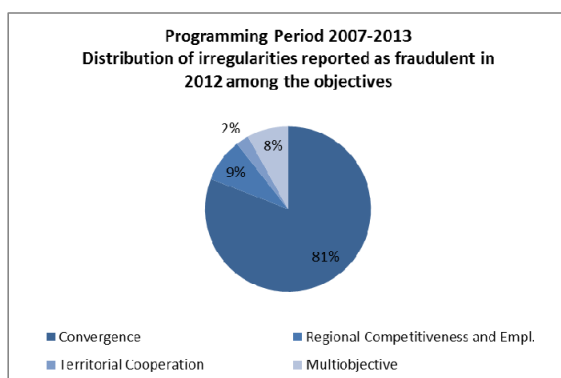
A significant specificity of the Cohesion Policy is that programmes and financial resources available to implement them are closely linked to the geographical dimension, that is to say that the objectives that they pursue depend on the region (and its level of economic development) in which they are 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 do not change the trend already highlighted in previous years.

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.

Table CP6: trend of irregularities reported as fraudulent between 2008-2012 by Objective

OBJECTIVE / PROGRAMMING PERIOD	REPORTING YEAR				
	2008	2009	2010	2011	2012
Programming Period 2007-13		50	66	150	198
Convergence		47	48	96	160
Regional Competitiveness and Empl.		3	6	19	17
Territorial Cooperation			6	22	5
Multiobjective			6	13	16
Programming Period 2000-06	218	276	239	80	81
Objective 1	143	174	165	44	69
Objective 2	16	19	18	18	3
Objective 3	48	73	33	12	7
Interreg	1	2	5	3	
Peace		2	1		
Equal	8	1	9	2	1
Leader+		5	5		
Fisheries outside Obj. 1	2		3	1	1
TOTAL	218	326	305	230	279



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

5.2.1. Priorities concerned by the irregularities reported as fraudulent in 2012

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 CP7 shows the number of reported fraudulent irregularities and their related financial amounts.

In terms of numbers, the 'Priorities' most concerned were 'Research and Technological Development', 'Improvement of the access to employment and sustainability' and 'Environmental protection and risk prevention'.

From the amounts point of view, the most significant results concern 'Transport', 'Environmental protection and risk prevention' and 'Investment in social infrastructure'.

Table CP7: PP2007-13 - Irregularities reported as fraudulent by Priority

Programming Period 2007-13 Priority	Irregularities reported as fraudulent	
	N	EUR
(blank)	83	19 578 404
Research and technological development (R&TD), innovation and entrepreneurship	20	9 102 982
Improving access to employment and sustainability	19	1 444 147
Environmental protection and risk prevention	14	24 250 699
Transport	11	59 265 277
Investment in social infrastructure	11	19 576 525
Improving human capital	8	682 439
Strengthening institutional capacity at national, regional and local level	7	284 176
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	7	10 705 030
Tourism	6	2 409 264
Improving the social inclusion of less-favoured persons	4	101 149
Urban and rural regeneration	3	8 022 701
Information society	2	475 153
Energy	2	2 886 643
Culture	1	473 652
TOTAL	198	159 258 242

More than 40% of the irregularities used for this analysis did not provide information in relation to the priority area concerned.

5.2.2. *Types of irregularities / modus operandi detected - Irregularities reported as fraudulent in 2012*

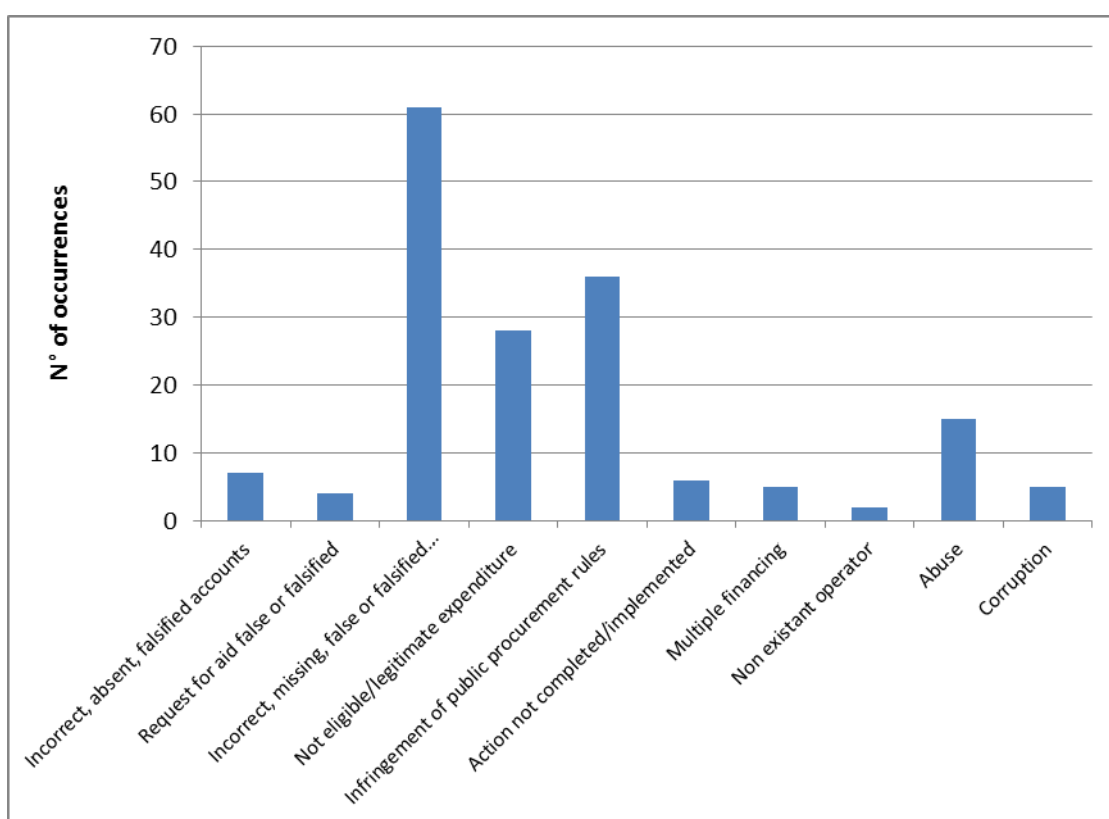
The analysis of the detected practices used in connection with the irregularities reported as fraudulent in 2012 (Table CP8) reveals a relative decrease of those generically described as 'not-eligible expenditure' and a significant increase of those described linked to the use of 'false or falsified or incorrect documents, certificates or declarations', which intuitively represent the type of behaviour directly linked to fraud as aimed at deceiving the administration/body paying the resources.

However, the most significant increase is linked to 'infringement of public procurement rules' and 'abuses'.

Although marginal on the total, five cases potentially involving corruption have been detected and reported, bringing the total number to 13 in the period 2008-2012. Interestingly, these 13 cases affect the highest amounts reported in the reference period (almost EUR 90 million), followed by 'infringement of rules concerning public procurement'.

Table CP8: Programming Period 2007-13 - Types of irregularity/Modus operandi detected in relation to irregularities reported as fraudulent

Programming Period 2007-13 Types of irregularity / Modus operandi	Irregularities reported as fraudulent in 2012		Irregularities reported as fraudulent in 2008-12		Increase %
	N	EUR	N	EUR	
Incorrect, missing, false or falsified documents/declarations/certificates	61	13 645 042	143	58 907 718	74%
Infringement of public procurement rules	36	52 521 887	59	88 146 062	157%
Not eligible/legitimate expenditure	28	8 181 429	107	20 701 397	35%
Abuse	15	55 086 774	25	56 919 540	150%
Incorrect, absent, falsified accounts	7	1 087 029	23	3 582 875	44%
Action not completed/implemented	6	1 217 606	48	9 058 198	14%
Multiple financing	5	300 461	10	786 897	100%
Corruption	5	50 519 037	13	89 554 990	63%
Request for aid false or falsified	4	1 845 794	12	2 240 805	50%
Non existent operator	2	254 017	4	1 568 415	100%

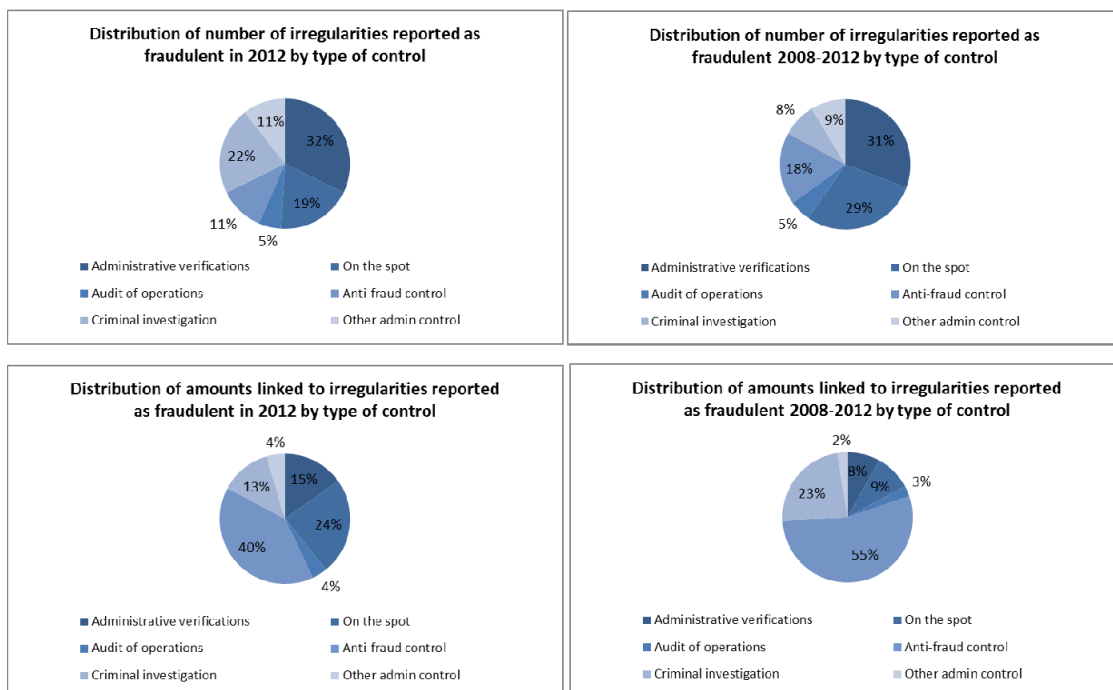


5.2.3. Type of control / method of detection – Irregularities reported as fraudulent

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 60%.

Table CP9: Programming Period 2007-13 - Type of checks having detected the irregularities reported as fraudulent

Programming Period 2007-13 Type of control	Irregularities reported as fraudulent in 2012		Irregularities reported as fraudulent in 2008-2012	
	N	EUR	N	EUR
Administrative verifications	64	24 096 963	110	29 393 456
On the spot	37	38 309 212	103	33 102 302
Audit of operations	11	6 081 524	19	9 669 131
Anti-fraud control	22	63 384 749	64	199 654 510
Criminal investigation	43	20 110 630	30	84 819 529
Other admin control	21	7 275 164	31	9 160 015
Total	198	159 258 242	357	365 798 943



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 107 cases reported in the years 2009-2011, it was not possible to determine the type of check.

5.2.3.1. Complexity of the irregularities reported as fraudulent

Table CP10 provides a first estimation of the level of complexity of the irregularities reported as fraudulent. It also compares the situation of those reported in 2012 with those communicated in the reference period 2008-2012 (included).

The share of the 'complex' cases remains stable in 2012 in relation to the reference period, while share of the 'simple' fraudulent irregularities increases with a consequent decrease of the 'moderate' complexity category.

The 'complex' cases are mainly referred to the ESF.

Table CP10: Complexity of fraudulent irregularities detected in relation to the CAP

Complexity	Fund	Irregularities reported as fraudulent in 2012				Irregularities reported as fraudulent 2008-2012			
		ERDF	ESF	Cohesion Fund	Total 2012	ERDF	ESF	Cohesion Fund	Total
Simple		38	11	9	58	59	20	10	89
Moderate		56	50	6	112	145	140	8	293
Complex			3		3	1	5	1	7
TOTAL		94	64	15	173	205	165	19	389



This is the first attempt of estimating the proportion of 'complex' cases on the total fraudulent irregularities identified. Therefore the method is liable of being improved in the next years.

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. Four 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;
- (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 ratio of cases of established fraud on the total number of irregularities reported as fraudulent (Ratio of established fraud - REF).

5.3.1. Detection – Reporting Efficiency

Table CP11 shows the average number of months between the moment in which the fraudulent practice is put in place and when the fraudulent irregularity 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).

The EU average is more than three years (39 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, in average, about 12 months, but in 2012 it has decreased to 8 months that is an acceptable time frame.

For nine Member States having reported fraudulent irregularities in 2012, the DetE is lower than 31 months, while 8 are above this average.

The overall time gap between the initial moment and reporting (DetE + RepE) is increasing in 2012 in comparison with previously reported information.

Table CP11: Cohesion Policy – Detection and Reporting Efficiency

Member State	Irregularities reported as fraudulent in 2012			Irregularities reported as fraudulent 2008-2012		
	DetE	RepE	DetE + RepE	DetE	RepE	DetE + RepE
	months/average	months/average	months/average	months/average	months/average	months/average
CZ	11	7	18	13	10	23
LV	15	4	19	13	5	18
CY	1	19	19	1	19	19
PL	22	6	27	19	11	30
RO	21	9	29	20	8	29
LT	23	10	33	16	14	29
SK	22	12	33	16	19	35
EE	33	4	37	30	6	37
IT	31	6	38	27	8	34
BG	33	6	39	25	15	39
EU	31	8	39	23	12	35
PT	20	23	42	17	23	40
HU	31	12	43	18	9	27
ES	33	9	43	31	7	38
DE	37	12	49	22	12	33
SE	48	7	55	23	14	37
AT	52	12	64	22	6	28
SI	358	12	370	176	10	185
UK				9	35	44
FI				N/A	N/A	N/A
IE				N/A	N/A	N/A

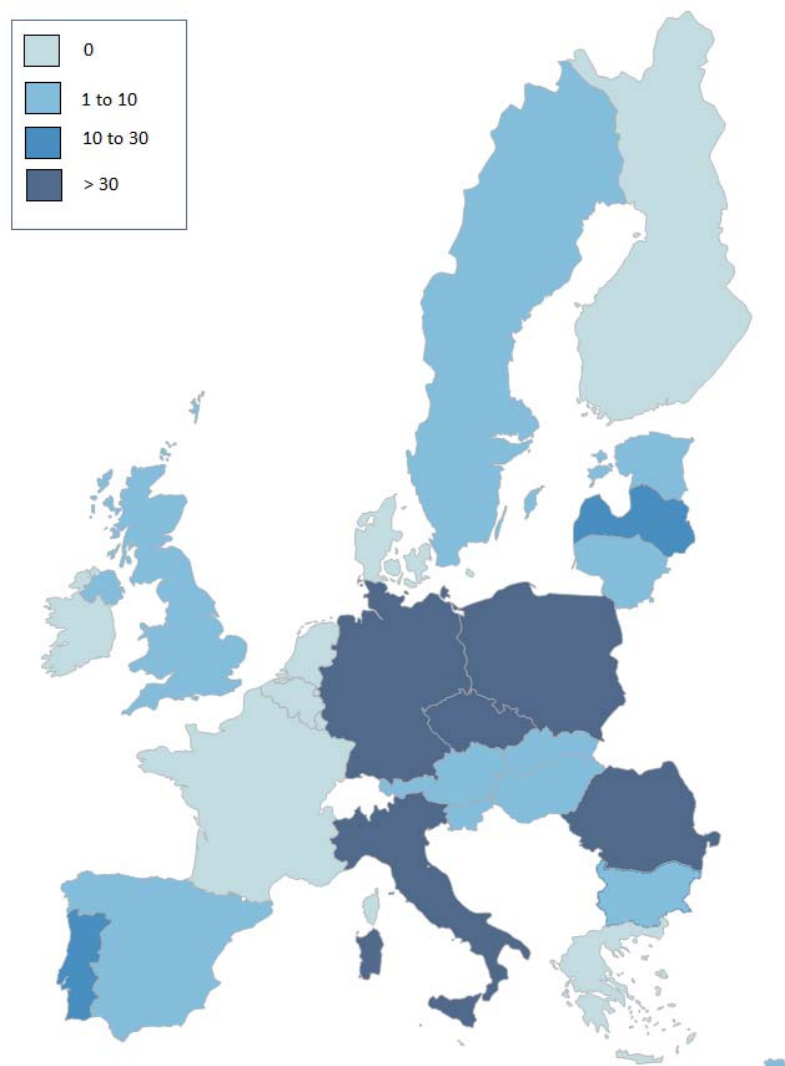
Three Member States (United Kingdom, Finland and Ireland) have not reported fraudulent irregularities in 2012 in relation to the programming period 2007-13. For Finland and Ireland, information provided in relation to cases reported in previous years did not allow calculating any average time gap.

5.3.2. *Detection of irregularities reported as fraudulent in 2012 by Member State*

Map CP1 divides Member States in four groups, depending on the number of irregularities reported as fraudulent in 2012:

- (1) Group 1: no irregularities reported as fraudulent irregularities in 2012. 9 Member States belong to this group.
- (2) Group 2: between 1 and 9 such cases reported in 2012. 10 Member States belong to this group;
- (3) Group 3: 10 to 30 irregularities reported as fraudulent. 3 countries are included in this group;
- (4) Group 4: more than 30 cases reported. It counts 5 Member States.

Map CP1: Number of irregularities reported as fraudulent in 2012 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 CP12.

In 2012, the highest fraud detection rates are referred to the Italy, the Czech Republic, Latvia, Bulgaria, Romania and Germany (all above 0.3%).

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

Table CP12: number of irregularities reported as fraudulent in 2012, amounts involved and fraud detection rate by Member State

Member State	Irregularities reported as fraudulent in 2012		Payments - 2012	Fraud Detection Rate	Irregularities reported as fraudulent 2008-2012	
	N	EUR	EUR	%	N	EUR
AT	2	34 805	156 744 852	0.02%	7	1 093 829
BG	9	5 971 077	843 560 546	0.71%	32	10 206 074
CY	1	90 724	42 436 822	0.21%	1	90 724
CZ	33	54 140 177	3 110 580 772	1.74%	52	213 121 252
DE	28	11 932 846	3 291 270 506	0.36%	103	18 628 905
EE	6	888 558	658 762 512	0.13%	7	1 164 720
ES	2	85 670	5 252 970 760	0.00%	4	143 836
FI			220 369 448	0.00%	2	18 823
HU	2	538 727	2 222 577 272	0.02%	5	599 373
IE			90 585 411	0.00%	2	15 672
IT	21	61 181 624	2 525 518 304	2.42%	34	62 629 942
LT	3	495 290	1 013 987 423	0.05%	7	984 921
LV	11	6 691 168	714 175 950	0.94%	18	14 565 094
PL	31	8 393 727	10 098 196 903	0.08%	93	59 460 351
PT	6	243 860	4 584 333 422	0.01%	8	417 723
RO	34	6 020 393	1 137 662 487	0.53%	40	7 027 159
SE	1	90 150	110 051 002	0.08%	5	280 458
SI	5	1 241 736	545 835 639	0.23%	10	2 760 939
SK	3	1 217 712	1 522 428 894	0.08%	12	6 436 047
UK			1 195 674 736	0.00%	22	514 592
EU	198	159 258 241	45 118 728 652	0.35%	464	400 160 431

The high amounts related to Italy and the Czech Republic depend on two cases each which affect very large sums of money.

5.3.4. Ratio of established fraud 2008-2012

Table CP13 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 2008-2012. It would be meaningless to take into account only cases reported in 2012, as the criminal proceedings leading to a conviction for fraud may take several years.

In this respect, the average ratio of established fraud at EU level is 3%, with Cyprus, Slovenia, Estonia and Latvia showing a rate above this level, and Germany presenting a rate in line with the EU average.

Table CP13: number of cases of suspected and established fraud and ratio of established fraud – cases reported between 2008-2012 in the Cohesion policy

Member State	Suspected fraud	Established fraud	TOTAL	Ratio established fraud
	N	N	N	%
AT	7		7	0%
BG	31	1	32	3%
CY		1	1	100%
CZ	52		52	0%
DE	100	3	103	3%
EE	6	1	7	14%
ES	4		4	0%
FI	2		2	0%
HU	5		5	0%
IE	2		2	0%
IT	34		34	0%
LT	7		7	0%
LV	17	1	18	6%
PL	91	2	93	2%
PT	8		8	0%
RO	40		40	0%
SE	5		5	0%
SI	5	5	10	50%
SK	12		12	0%
UK	22		22	0%
TOTAL	450	14	464	3%

A significant impact on the rate is determined by the number of irregularities reported as fraudulent by Member States. In this respect, the countries which greatly influence the EU average results are Germany, Poland, the Czech Republic, Romania, Italy and Bulgaria.

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, Iceland³⁰, the Former Yugoslav Republic of Macedonia, 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 Turkey³¹, Assistance for reconstruction, development and stabilisation for potential candidate countries (CARDS)³² and Transition facility³³. 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 2007-13 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 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.

³⁰ 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".

³¹ Turkey has been receiving pre-accession assistance since 2002.

³² 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.

³³ 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.

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 Macedonia, 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.³⁴

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 role in the delivery of IPA, in particular under the de-concentrated and decentralised management modes.³⁵

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;

³⁴ Potential candidate countries were defined at the Santa Maria da Feira European Council of 20 June 2000.

³⁵ 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.

- 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.)

In Croatia, the implementation of Pre-accession assistance is decentralised to national authorities. Montenegro is preparing for conferral of management powers for IPA Component I and II. Decentralised management is still under development in the Former Yugoslav Republic of Macedonia. Payments in decentralised programmes remained less than half of the initial forecasts in FYROM. In Serbia, the national authorities submitted an application for the conferral of management in June 2012 and it could be granted by the end of 2013. Absorption capacity under decentralised management in Turkey is not optimal, with delays in tendering, contracting, as well as execution of payments.³⁶

For the financial year 2012 in the old pre-accession assistance **PAA** there have been paid only 7.4 million euros in CARDS. As regards the current pre-accession instrument **IPA** there have been 818.1 million euros paid in 2012. Table 1 presents payments for financial year 2012 for the component I and II and country made under the centralised management mode (IPA) and completion of CARDS assistance (PAA) in 2012³⁷.

³⁶ 2012 Annual Activity report, DG ENLARGEMENT

³⁷ Except the CARDS payments (7.4 million euros, nomenclature 22 02 05 02), no payments were made for old pre-accession assistance (PAA) including the Transition Facility in 2012.

Table PA1 – Payments made in financial year 2012 per component and country (IPA and PAA-CARDS)

Payments in 2012		
Beneficiary country	Million EUR	
	IPA (Comp I and II)	CARDS
AL	65.6	2.3
BA	63.2	0.1
HR	43.8	0
XK	77	0
MK	15.5	0
ME	33.4	0
RS	165.3	4.4
TR	188.3	0
IS	3.4	0
OTHER (Regional & Multi-countries)	162.5	0.6
TOTAL	818.1	7.4

Multi-beneficiary programmes under Component I are designed to complement national programmes and to strengthen multilateral relations in the Western Balkans and Turkey.

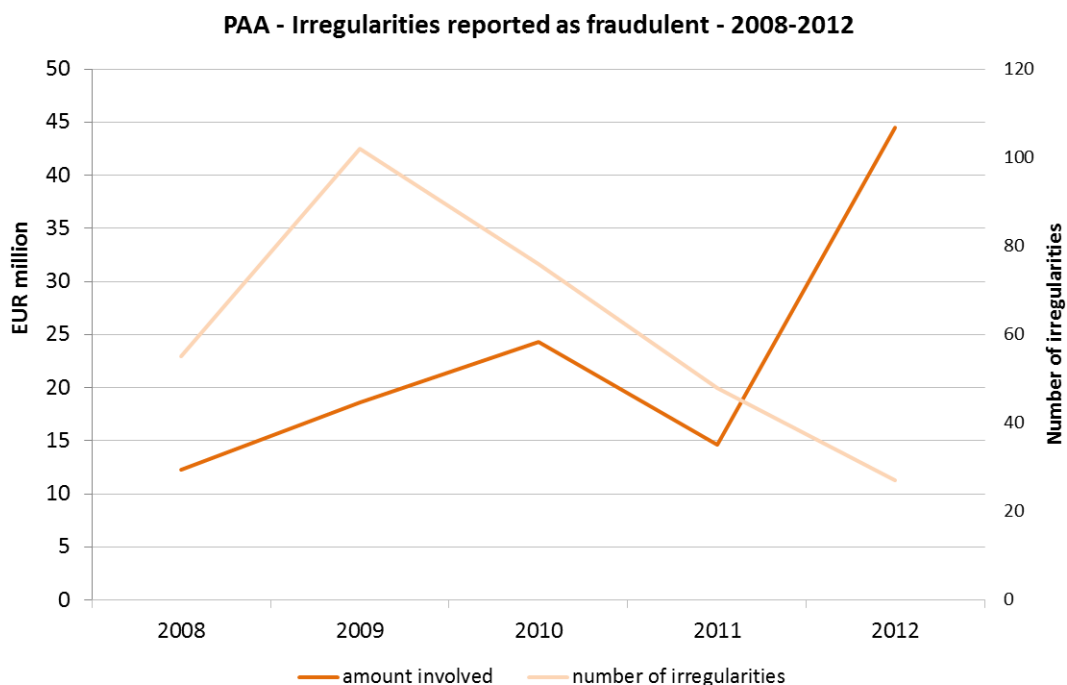
6.2. General analysis – Trend analysis

6.2.1. Trend analysis

In the area of the **Pre-Accession Assistance, PAA** (2000-06) in 2012 the number of irregularities reported as fraudulent continued to decrease. This is due to the fact that support for EU-10 and EU-2 countries is being phased-out and the Pre-Accession Assistance (PAA) is nearly completed with the exception of a few projects and remaining payments as part of CARDS, which is reflected in the current reporting from Hungary, Poland, Bulgaria and Romania and the acceding country Croatia.

Table PA2 – PAA irregularities reported as fraudulent – 2002-2012

Irregularities reported as fraudulent		Reporting Year				
		2008	2009	2010	2011	2012
number of irregularities	N	55	102	76	48	27
amount involved	EUR	12 318 710	18 649 822	24 338 949	14 594 903	44 496 956



For the total number of irregularities (reported as fraudulent and not reported as fraudulent) for the **PAA**, there were 230 irregularities reported in 2012 and the amount affected EUR 89 million while in 2011 there were 247 irregularities and the amount affected was EUR 58, 5 million.

Generally it can be said that the trend in relation to **IPA** (2007-13) reporting has not been developing in a stable upward sloping curve and for the year 2012 it even drops³⁸. The low numbers in reporting are result of a poor level of absorption of aid and a backlog in IPA implementation in Croatia, the Former Yugoslav Republic of Macedonia and Turkey.³⁹

6.2.2. Reporting efforts

In general the communications received via IMS are complete and in terms of timeliness the reporting behaviour is satisfactory. The level of completeness of the reported information has been improving depending on experience with reporting.

Croatia started to use the IMS in the third quarter of 2012. FYROM is getting ready for reporting into IMS as well as Serbia, a new candidate country, which started to send reports to OLAF in the fourth quarter of 2012. Small inconsistencies regarding correct assessment of irregularity, dates related to the irregularity (and detection) remain.

³⁸ The data available for demonstration of the trend would show only two reporting years.

³⁹ More analysis under 6.3.2

Turkey has continued in consistent reporting. Croatia increased the number of reported irregularities due to its connection to IMS in October 2012. FYROM continued reporting its first irregularities. Serbia sent the first irregularity report.

6.3. Specific analysis – Financial year 2012

6.3.1. Pre-Accession Assistance (PAA)

In total 27 irregularities were reported as fraudulent with the amount affected EUR 44.5 million. The higher amount reported this year is attributable to two bigger cases (making EUR 38.5 million in total), notified as a suspicion of fraud by Romania regarding the ISPA fund. Without these two exceptional cases the curve would continue in a downward sloping trend in the irregular amounts, as in the previous year.

Table PA3 – Irregularities reported as fraudulent per country (PAA)

Beneficiary country	Irregularities reported as fraudulent	
	N	EUR
BG	8	3 999 800
HR	2	686 598
RO	17	39 810 557
TOTAL	27	44 496 956

Table PA4 – Irregularities not reported as fraudulent per country (PAA)

Beneficiary country	Irregularities not reported as fraudulent	
	N	EUR
BG	16	2 828 849
HR	1	45 221
LT	3	153 371
PL	2	22 229
RO	182	41 805 557
TOTAL	204	44 855 227

Table PA5 – Irregularities reported as fraudulent per fund (PAA)

Fund	Irregularities reported as fraudulent	
	N	EUR
IS	4	38 635 277
PH	5	654 969
S	18	5 206 709
TOTAL	27	44 496 956

Table PA6 – Irregularities not reported as fraudulent per fund (PAA)

Fund	Irregularities not reported as fraudulent	
	N	EUR
IS	44	19 832 534
PH	30	1 869 335
S	129	23 147 108
TF	1	6 250
TOTAL	204	44 855 227

As in 2011, the majority of cases relating to PAA in 2012 concern again SAPARD (the Special Accession Programme for Agriculture and Rural Development). The trend of SAPARD, as the fund representing in the previous years the most important exposure to cases of suspected fraud, is being confirmed.

With 18 irregular fraudulent cases reported, the SAPARD fund remains the most fraudulent (compare with 38 cases in 2011), followed by PHARE with 5 cases and ISPA with 4 cases with higher amounts.

The *practices repeatedly employed* in committing fraudulent irregularities are mainly falsified supporting documents, followed by manipulation of tendering procedures. Amongst others belongs the conflict of interest, action not carried out in accordance with rules or other cases of irregular documents.

6.3.2. Instrument for Pre-Accession (IPA)

In IPA (2007-13), there were 23 irregularities reported in total involving the amount of EUR 1.6 million, which is a slight increase in both, the number of notified irregularities and amounts involved, in comparison with 20 cases and EUR 1.3 million reported in 2011.

There were 6 fraudulent irregularities reported for 2012 (1 from Croatia, 3 from FYROM, 2 from Turkey) with the total amount affected of EUR 0.3 million, while in 2011 there were 9 cases in total affecting EUR 0.98 million. Croatia, FYROM and Turkey have been receiving assistance during both periods of pre-accession.

Table PA7 – Irregularities reported as fraudulent per country (IPA)

Beneficiary country	Irregularities reported as fraudulent	
	N	EUR
HR	1	169 007
MK	3	75 709
TR	2	57 673
TOTAL	6	302 389

Table PA8 – Irregularities not reported as fraudulent per country (IPA)

Beneficiary country	Irregularities not reported as fraudulent	
	N	EUR
BG	2	21 690
HR	4	77 420
RS	1	N/A
TR	10	1 239 425
TOTAL	17	1 338 535

Table PA9 – Irregularities reported as fraudulent per fund (IPA)

Fund	Irregularities reported as fraudulent	
	N	EUR
HR	3	226 680
RD	3	75 709
TOTAL	6	302 389

Table PA10 – Irregularities not reported as fraudulent per fund (IPA)

Fund	Irregularities not reported as fraudulent	
	N	EUR
CB	3	21 690
HR	2	99 150
RD	1	24 558
RE	1	0
TA	10	1 193 137
TOTAL	17	1 338 535

Poor absorption of aid and backlog in IPA implementation in countries using decentralised management (i.e. in Croatia, the Former Yugoslav Republic of Macedonia and Turkey) is an explanation for these low numbers of reported irregularities.⁴⁰

As regards Croatia, the beginning of the IPA period was affected by a substantial back-log in the implementation. As a result, the payments were lagging behind the contracting and remained rather low until 2011 and in 2012 there was only a slow and gradual reduction of the accumulated backlog, considering the further IPA funding allocated to Croatia.

Problems with in the management and control systems under decentralised management led to interruption in the payments to FYROM in 2012.

The absorption capacity under decentralised management in Turkey remained in 2012 suboptimal, with delays occurring in tendering, contracting, as well as execution of payments.

Therefore, following a delay, more reports are likely to come from Croatia, FYROM and Turkey for the 2007-13 IPA.

The key characteristics of practices repeatedly employed as regards the irregularities reported as fraudulent are mainly the following ones: conflict of interests, missing, incorrect or incomplete documents and falsified supporting documents.

Amongst other practices employed either separately or in combination with the previous ones, there are actions not carried out in accordance with rules, infringement of rules concerned with public procurement, undeclared revenue or non-eligible expenditure.

6.3.3. Method of detection

Most of the irregularities in 2012 were detected by the means of European Commission service or EU institution, i.e. by the Community controls (in particular in Romania and Bulgaria), associated controls (Romania), additional controls on the request by the Commission (Croatia) or other controls (Bulgaria, Lithuania, Romania), followed by the control of the documents (Croatia, Poland, Romania). This finding is underlining the importance of audits performed by responsible Commissions services and investigations conducted by OLAF.

6.3.4. Recovery for the Pre-Accession Assistance (PAA) – Cumulative results 2002-2012

The table demonstrates the recovery situation per country. It provides an overview for all years and funds regarding the period 2000-06 as reported into IMS. It represents

⁴⁰ 2012 Annual Activity report, DG ENLARGEMENT

the recovery rate which is the percentage of total amount recovered on the irregular amounts effectively disbursed.

Table PA11: Recovery by beneficiary country, cumulative results

Beneficiary country	Irregularities not reported as fraudulent			Irregularities reported as fraudulent			
	EUR						
	Amounts involved	Amounts to be recovered	Cumulative Recovery Rate	Beneficiary country	Amounts involved	Amounts to be recovered	Cumulative Recovery rate
BG	2 828 849	259 759	90.82%	BG	3 999 800	2 886 609	27.83%
HR	45 221	0	100.00%	HR	686 598	349 460	49.10%
LT	153 370	153 370	0.00%	RO	39 810 557	39 503 543	0.77%
PL	92 581	0	100.00%				
RO	41 805 557	2 201 429	94.73%				
TOTAL	44 670 532	2 359 512	94.72%	TOTAL	44 496 956	42 739 613	4%

The figures do not take into account the recoveries and financial corrections made by the Commission.

Section III – CENTRALISED MANAGEMENT

7. CENTRALISED DIRECT AND CENTRALISED INDIRECT 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 ‘centralised management’ mode⁴¹, which is one of the four implementation modes the Commission can use to implement the budget.

The implementation can be handled:

- directly by its departments; in this case the Commission and its departments perform the operations required to carry out the measures concerned without any involvement of the Member States or non-member countries where the recipients of the expenditure reside; or
- indirectly, by various entities to which such tasks have been entrusted.

For financial year 2012, a total of EUR 17.3 billion⁴² has been effectively disbursed under the centralised management mode. (Centralised direct: EUR 11.4 billion; centralised indirect: EUR 5.9 billion.) Table CM1 presents the actual payments made in financial year 2012 for the seventeen policy areas corresponding to 98% of the overall payments made under the centralised management mode.

Table CM1 – Payments made in financial year 2012 per policy area

Policy area	Payments 2012	
	EUR million	%
Research	4 959	28.6
Education and culture	2 623	15.1
External relations	2 183	12.6
Information society and media	1 373	7.9
Mobility and transport	1 029	5.9
Enterprise	947	5.5
Development and relations with ACP States	830	4.8
Humanitarian aid	577	3.3
Energy	552	3.2
Enlargement	534	3.1
Health and consumer protection	515	3.0
Home Affairs	361	2.1
Environment and climate action	285	1.6
Maritime affairs and fisheries	227	1.3
Employment and social affairs	150	0.9
Communication	129	0.7
Direct research	94	0.5
TOTAL	17 369	

⁴¹ The Financial Regulation provides for three types of management, one of them is the centralised management. In accordance with Article 53a of the Council Regulation (EC, Euratom) No 1605/2002 (‘Financial Regulation’) and Commission Regulation (EC, Euratom) No 2342/2002 (‘Implementing Rules’).

⁴² Own calculation based on ABAC data for the seventeen policy areas representing 98% of payments under the centralised management mode, excluding administrative expenditure.

7.2. General analysis – Trend analysis

In 2012, for the seventeen policy areas, the Commission services registered 1674 recovery orders in ABAC that were qualified as irregularities for a total financial value EUR 121.4 million. Among these recovery orders, 26 have been reported as fraudulent⁴³, involving EUR 2.7 million irregular amounts.

7.2.1. Trend analysis 2011-2012

As a trend analysis, the comparison between financial years 2011 and 2012 will be hereunder provided.

Generally it can be said that there was an increase in terms of number and related amounts regarding recovery orders qualified as irregularities. Table CM2 summarises the main figures for these two financial years. In 2012 the total irregular amount for all irregularities has almost doubled compared to 2011, meanwhile expenditure under the centralised management mode in relation to the policy areas concerned remained stable. As a consequence, the ratio between irregular amounts recovered and payments made has also doubled.

However, this increase should be interpreted as a result of the efficient irregularity detection systems in place.

Table CM2 – Irregularities not reported as fraudulent and related amounts, 2011 and 2012

Year	Irregularities not reported as fraudulent		Payments	Irregular amounts/ Payments
	EUR million	N	EUR million	%
2011	61.8	1 442	17 236	0.36
2012	118.7	1 648	17 369	0.68

Table CM3 – Irregularities reported as fraudulent and related amounts, 2011 and 2012

Year	Irregularities reported as fraudulent		Payments	Irregular amounts/ Payments
	EUR million	N	EUR million	%
2011	1.8	36	17 236	0.01
2012	2.7	26	17 369	0.02

Table DE3 proposes a comparison between the two financial years with regard to irregularities reported as fraudulent. In 2012, there were less recoveries qualified to be fraudulent however these cases involved higher recovery amounts. As a result, the ratio between fraudulent amounts recovered and payments made has also increased.

7.3. Specific analysis – Financial year 2012

Table CM4 provides a more detailed classification of the policy areas and related irregularities with financial values. The list follows a descending order according to the payments made in the seventeen policy areas in financial year 2012.

⁴³ Recovery orders that have been qualified by the Commission services as *suspected fraud* and subsequently reported to OLAF, or recoveries made following to OLAF investigation.

Table CM4 – Irregularities reported by policy areas and related amounts, 2012

Policy area	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Research	17 395 870	324		
Education and culture	6 131 212	286	21 326	2
External relations	10 654 045	121	1 762 173	12
Information society and media	16 947 547	536		
Mobility and transport	7 216 081	74	758	1
Enterprise	1 320 281	55		
Development and relations with ACP States	3 817 306	56	173 629	4
Humanitarian aid	604 697	2		
Energy	42 443 224	6		
Enlargement	1 098 618	37		
Health and consumer protection	13 149	1		
Home Affairs	6 470 844	94		
Environment and climate action	3 523 082	29	554 461	4
Maritime affairs and fisheries	953 322	15		
Employment and social affairs	103 344	9		
Communication	35 707	3	140 204	3
Direct research				
TOTAL	118 728 329	1 648	2 652 550	26

As it appears from the table, most of the 'irregularities reported as fraudulent' are linked to payments made in the area of external relations. This policy area alone counts for almost half of the number and two-third of associated amounts of recovery orders that proved to be fraudulent.

Regarding the 'irregularities not reported as fraudulent', the 'Energy' policy area stands out with the highest aggregate irregular amount, however almost the entire amount is linked to one single case. It is followed by policy areas 'Information society and media' and 'Research' that rank second and third in terms irregular recovery amounts. The explanation for the relatively high number of irregularities resides in the fact that Commission services duly detect and report irregularities in ABAC.

7.3.1. Recoveries according to legal entity residence

Table CM5 summarizes the recoveries according to the country of the recipient legal entity. In 90% of the irregular cases (qualified as fraudulent or not) the legal entity was resident in one of the 27 Member States of the European Union. It should be noted at the same time, that the residence of the legal entity is not necessarily the same as that of the main beneficiary. In cases where the legal entity resided in one of the 27 EU Member States, and where the irregularity was qualified as 'irregularities not reported as fraudulent', exactly 90% of the recoveries and 92% of the related recovery amounts were registered for main beneficiaries that were also resident in one of the EU Member States. Meanwhile, in case of 'irregularities reported as fraudulent' the ratio was only 38% and 33% respectively.

Table CM5 – Recoveries per country of residence of the legal entity, 2012

LE Country code	LE Country name	Payments 2012 EUR million	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
			EUR	N	EUR	N
BE	Belgium	1 560	4 146 183	172		
BG	Bulgaria	51	160 196	7		
CZ	Czech Republic	77	768 763	12		
DK	Denmark	437	385 007	26	121 404	1
DE	Germany	1 942	50 263 797	138	11 916	1
EE	Estonia	24	77 914	7		
IE	Ireland	284	2 238 952	19		
EL	Greece	298	2 111 201	58		
ES	Spain	1 436	2 760 580	90	43 179	1
FR	France	2 077	16 004 559	232	575 551	2
IT	Italy	1 278	7 514 950	199	128 996	4
CY	Cyprus	36	376 354	10		
LV	Latvia	42	14 085	3		
LT	Lithuania	160	60 925	9		
LU	Luxembourg	407	75 962	7		
HU	Hungary	157	2 099 543	29		
MT	Malta	16	1 199 029	7		
NL	Netherlands	942	4 660 182	82	9 761	1
AT	Austria	435	3 660 742	46		
PL	Poland	287	152 185	15		
PT	Portugal	233	294 048	19	270 655	6
RO	Romania	72	617 066	27	758	1
SI	Slovenia	89	55 208	4		
SK	Slovakia	50	402 505	15		
FI	Finland	191	616 641	22		
SE	Sweden	420	1 833 101	44		
UK	United Kingdom	1 841	8 512 610	177	784 761	4
Total EU		14 841	111 062 285	1 476	1 946 980	21
<i>Total non-EU</i>		<i>2 528</i>	<i>7 666 044</i>	<i>172</i>	<i>705 571</i>	<i>5</i>
TOTAL		17 369	118 728 329	1 648	2 652 550	26

7.3.2. Method of detection

For each recovery order, 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 CM6 gives a breakdown of the recoveries by source of detection and by qualification.

Table CM6 – Irregularities reported by source of detection and by qualification, 2012

Source of detection	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Community control / Check on the spot	37 022 981	824	181 467	4
Community control / Desk check documents	65 426 752	477	19 110	2
Control by national authorities	6 750	1		
European Court of Auditors	165 200	5		
Independent control (supervising engineers, auditors, ...)	12 999 103	320	151 110	1
OLAF	1 532 781	4	2 300 863	19
Other	1 574 761	17		
TOTAL	118 728 329	1 648	2 652 550	26

OLAF detected the vast majority of the cases qualified ‘irregularities reported as fraudulent’: the 19 recoveries account for 86.7% of the irregular amounts.

In case of 'irregularities not reported as fraudulent', it has been by means of 'Community controls' that most of the irregularities were discovered, which all together represent 86.2% of the irregular amounts.

7.3.3. *Types of error*

The Commission services also have to indicate the type of error that was detected when the recovery order was issued. 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, in 60% of cases of irregularities (reported as fraudulent or not). Besides, 'Missing documents' and 'Incomplete documents' are marked very often as components of the errors description of an irregularity.

7.3.4. *Time delay*

For the recovery orders issued in 2012, which were qualified as the 'irregularity reported as fraudulent', the average delay between the occurrence of the irregularity and its detection is 4 years and 3 months. However, the time delay varies significantly, so the average does not represent the series. Half of the cases were detected within 5 years following the year when the irregularity was committed; meanwhile in the other half of the cases the delay varied between 5 and 10 years.

7.3.5. *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 has to pay back the undue payment or the amount is offset from remaining payments.

For the recovery orders issued in 2012, full or partial recovery was recorded in almost all of the 1674 irregular cases (reported as fraudulent or not). The financial amount already cashed is EUR 100.9 million (out of EUR 121.4 million). The recovery rate for recoveries qualified as 'irregularity reported as fraudulent' is 53.9%; meanwhile the rate for other irregularities is higher: 83.8%.

COUNTRY FACTSHEETS

BELGIUM

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
	24	23 076 595	136	9 603 835	1.53%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	82 849 148	0.25%	138 983
EAGF	direct aids	570 714 759	0.07%	414 860
EAFRD	rural development	67 432 266	1.85%	1 233 199
EFF	fisheries	4 612 318	3.20%	147 594
TOTAL		725 608 491		

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	11 569	9	301 780	0.01%	0.05%
EAFRD			2	30 240		0.04%
EAGF/EAFRD			1	27 795		N/A
EFF						
TOTAL	2	11 569	12	359 815	0.002%	0.05%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	12	7	18

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	16	1	17	6%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	108 920 730.00	155 877 181.56	897 826 271.00	471 516 652.41	0.80%	0.10%
ESF	153 717 290.00	193 725 178.08	921 051 481.00	541 823 442.60	1.66%	1.03%
TOTAL	262 638 020.00	349 602 359.64	1 818 877 752.00	1 013 340 095.01		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	0	0	32	2 701 479	0.00%	0.77%
ERDF	0	0	19	676 292		0.43%
ESF	0	0	13	2 025 187		1.05%
Programming Period 2007-2013 - cumulative	0	0	88	4 262 897	0.00%	0.42%
ERDF	0	0	34	961 342		0.20%
ESF	0	0	54	3 301 555		0.61%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	0	0	0	N/A

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management (in million EUR)							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
0	3	0	0	11	0	14	1

Additional corrections (withdrawals and recoveries) reported by Belgium as implemented for the period 2007-2013 (EUR million)	ERDF/CF	ESF	EFF	Total 2012
	3	5	0	8

BULGARIA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
	10	1 613 618	5	1 397 298	4.92%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	39 605 826	0.00%	0
EAGF	direct aids	387 837 174	7.04%	26 160 958
EAFRD	rural development	308 461 739	2.23%	6 755 532
EFF	fisheries	8 876 801	1.24%	110 072
TOTAL		744 781 540		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			1	10 976		0.003%
EAFRD	5	118 895	1	11 994	0.04%	0.004%
EFF						
TOTAL	5	118 895	2	22 969	0.02%	0.003%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	4	35	40

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	128	27	155	17%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	558 899 978.00	389 640 582.70	2 611 556 421.00	1 209 703 061.46	1.10%	0.60%
Cohesion Fund	395 838 672.00	317 888 063.76	1 863 186 324.00	832 220 563.34		
ESF	206 716 430.00	136 031 899.46	965 918 130.00	372 964 795.03	1.50%	0.00%
TOTAL	1 161 455 080.00	843 560 545.92	5 440 660 875.00	2 414 888 419.83		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	9	5 971 077	65	6 885 790	0.71%	0.82%
ERDF	4	324 210	40	3 035 153	0.08%	0.78%
Cohesion Fund	1	5 019 507	13	3 240 705	1.58%	1.02%
ESF	4	627 360	12	609 932	0.46%	0.45%
Programming Period 2007-2013 - cumulative	32	10 206 074	176	18 344 284	0.42%	0.76%
ERDF	10	1 898 718	98	8 223 380	0.16%	0.68%
Cohesion Fund	2	6 321 905	42	7 540 083	0.76%	0.91%
ESF	20	1 985 451	36	2 580 822	0.53%	0.69%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	25	15	39

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	31	1	32	3%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
15	7	0	6	1	0	30	25
Additional corrections (withdrawals and recoveries) reported as implemented by Bulgaria for the period 2007-13 (EUR million)				ERDF/CF	ESF	EFF	Total 2012
				8	0	0	8

CZECH REPUBLIC

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
	0	0	69	2 921 712	1.10%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	13 512 806	0.00%	149
EAGF	direct aids	743 150 550	0.23%	1 609 876
EAFRD	rural development	420 405 062	0.69%	2 890 801
EFF	fisheries	4 751 403	10.00%	475 140
TOTAL		1 181 819 821		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	31 028	22	454 339	0.004%	0.06%
EAFRD			84	1 965 739		0.47%
EFF			2	202 636		4.26%
TOTAL	2	31 028	108	2 622 713	0.003%	0.22%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	4	1	4

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	5		5	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	2 206 318 345.00	1 399 293 712.62	11 637 582 088.00	5 849 060 730.01	1.60%	2.10%
Cohesion Fund	1 370 343 279.00	1 411 742 785.66	7 391 970 484.00	3 084 342 372.86		
ESF	590 443 885.00	299 544 273.63	3 173 324 967.00	1 112 426 188.39	1.90%	1.40%
TOTAL	4 167 105 509.00	3 110 580 771.91	22 202 877 539.00	10 045 829 291.26		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	33	54 140 177	510	1 027 753 191	1.74%	33.04%
ERDF	23	35 134 610	202	506 249 852	2.51%	36.18%
Cohesion Fund	8	18 100 459	60	475 645 258	1.28%	33.69%
ESF	2	905 107	248	45 858 081	0.30%	15.31%
Programming Period 2007-2013 - cumulative	52	213 121 252	816	1 142 530 815	2.12%	11.37%
ERDF	35	165 995 558	371	555 109 582	2.84%	9.49%
Cohesion Fund	10	45 996 080	81	536 607 978	1.49%	17.40%
ESF	7	1 129 614	364	50 813 255	0.10%	4.57%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	13	10	23

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	52		52	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
0		116	8	0	0	125	6
Additional corrections (withdrawals and recoveries) reported as implemented by the Czech Republic for the period 2007-13 (EUR million)				ERDF/CF	ESF	EFF	Total 2012
				0	0	0	0

DENMARK

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		8	796 759	52	4 252 220

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	15 781 452	3.59%	286 636
EAGF	direct aids	939 071 530	2.47%	22 947 695
EAFRD	rural development	63 185 782	4.60%	2 534 692
EFF	fisheries	15 682 178	1.11%	174 072
TOTAL		1 033 720 942		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	56	1 310 263	43	2 382 328	0.14%	0.25%
EAFRD			12	200 322	0.00%	0.32%
EFF						
TOTAL	56	1 310 263	55	2 582 650	0.13%	0.25%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	50	3	53

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	57		57	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	37 839 185.00	21 418 690.89	216 192 651.00	129 409 904.48	2.40%	2.00%
ESF	37 839 185.00	14 104 809.73	216 192 651.00	101 195 903.94	0.60%	0.60%
TOTAL	75 678 370.00	35 523 500.62	432 385 302.00	230 605 808.42		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	0	0	1	10 197	0.00%	0.03%
ERDF	0	0				0.00%
ESF	0	0	1	10 197		0.07%
Programming Period 2007-2013 - cumulative	0	0	5	137 064	0.00%	0.06%
ERDF	0	0	2	58 393		0.05%
ESF	0	0	3	78 671		0.08%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	0	0	0	N/A

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
22		0	0	0	0	22	0
Additional corrections (withdrawals and recoveries) reported as implemented by Denmark for the period 2007-13 (EUR million)				ERDF/CF	ESF	EFF	Total 2012
				0	0	0	0

GERMANY

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
	72	4 048 792	1 140	96 580 424	2.22%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	136 752 748	0.25%	249 145
EAGF	direct aids	5 291 084 975	0.35%	18 277 012
EAFRD	rural development	1 323 113 211	0.83%	10 614 261
EFF	fisheries	5 985 396	0.23%	13 766
TOTAL		6 756 936 330		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	1 085 028	33	1 318 354	0.02%	0.02%
EAFRD	6	598 452	29	743 371	0.05%	0.06%
EAGF/EAFRD	1	74 949				
EFF						
TOTAL	9	1 758 429	62	2 061 725	0.03%	0.03%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	20	2	22

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	19	3	22	14%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	2 330 283 620.00	2 034 296 615.85	13 763 439 093.66	8 797 527 563.11	1.40%	0.80%
ESF	1 368 094 296.00	1 256 973 889.99	7 998 638 388.00	4 982 555 638.68	1.70%	1.20%
TOTAL	3 698 377 916.00	3 291 270 505.84	21 762 077 481.66	13 780 083 201.79		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	28	11 932 846	104	12 781 216	0.36%	0.39%
ERDF	6	1 189 907	73	11 479 063	0.06%	0.56%
ESF	22	10 742 938	31	1 302 153	0.85%	0.10%
Programming Period 2007-2013 - cumulative	103	18 628 905	273	24 489 569	0.14%	0.18%
ERDF	20	5 986 597	172	19 834 572	0.07%	0.23%
ESF	83	12 642 308	101	4 654 997	0.25%	0.09%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	22	12	33

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	100	3	103	3%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
-16	3	23	0	0	0	10	1
Additional corrections (withdrawals and recoveries) reported as implemented by Germany for the period 2007-13 (EUR million)				ERDF/CF	ESF	EFF	Total 2012
				195	21	1	217

ESTONIA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		0	0	5	117 895

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	3 022 386	0.73%	6 556
EAGF	direct aids	81 794 506	1.01%	816 311
EAFRD	rural development	129 931 681	1.21%	1 468 750
EFF	fisheries	11 253 780	3.46%	389 381
TOTAL		226 002 353		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF					0.00%	0.00%
EAFRD	11	2 988 626	21	646 988	2.30%	0.50%
EFF						
TOTAL	11	2 988 626	21	646 988	1.32%	0.29%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	15	2	17

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	18	1	19	5%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	327 771 315.00	249 731 877.97	1 546 830 459.00	1 177 496 592.29	2.60%	2.00%
Cohesion Fund	192 558 498.00	303 519 960.32	942 182 972.00	622 583 622.69		
ESF	49 662 490.00	105 510 673.41	293 637 884.00	287 719 037.60	2.60%	2.00%
TOTAL	569 992 303.00	658 762 511.70	2 782 651 315.00	2 087 799 252.58		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	6	888 558	92	27 478 883	0.13%	4.17%
ERDF	3	333 723	81	27 237 729	0.13%	10.91%
Cohesion Fund	2	506 911	2	31 618	0.17%	0.01%
ESF	1	47 924	9	209 536	0.05%	0.20%
Programming Period 2007-2013 - cumulative	7	1 164 720	164	31 912 627	0.06%	1.53%
ERDF	4	609 885	140	31 076 442	0.05%	2.64%
Cohesion Fund	2	506 911	3	42 756	0.08%	0.01%
ESF	1	47 924	21	793 429	0.02%	0.28%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	30	6	37

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	6	1	7	14%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
0	1	0	0	0	0	1	0
Additional corrections (withdrawals and recoveries) reported as implemented by Estonia for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				4	0	0	4

IRELAND

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
	5	0	28	1 631 006	1.25%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	28 253 897	0.33%	39 030
EAGF	direct aids	1 260 907 433	2.64%	32 640 875
EAFRD	rural development	322 067 655	2.07%	6 659 367
EFF	fisheries	12 876 962	1.65%	212 470
TOTAL		1 624 105 947		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	3	77 418	93	2 741 274	0.01%	0.21%
EAFRD	1	45 925	12	463 188	0.01%	0.14%
EFF			10			
TOTAL	4	123 343	115	3 204 462	0.01%	0.20%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	6	7	13

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	4		4	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	29 625 536.00	54 711 606.24	345 144 326.00	190 258 214.28	0.90%	0.50%
ESF	29 625 536.00	35 873 805.04	345 144 324.00	262 693 947.02	8.20%	0.00%
TOTAL	59 251 072.00	90 585 411.28	690 288 650.00	452 952 161.30		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	0	0	0	0	0.00%	0.00%
ERDF					0.00%	0.00%
ESF					0.00%	0.00%
Programming Period 2007-13 - cumulative	2	15 672	88	2 471 956	0.00%	0.55%
ERDF					0.00%	0.00%
ESF	2	15 672	88	2 471 956	0.01%	0.94%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	2		2	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
-1	10					0	9
Additional corrections (withdrawals and recoveries) reported as implemented by Ireland for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				0	5	0	5

GREECE

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		32	338 175	1	22 771

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	66 997 581	0.42%	70 640
EAGF	direct aids	2 315 248 860	2.39%	53 171 729
EAFRD	rural development	330 814 548	1.05%	3 461 710
EFF	fisheries	26 878 883	0.32%	86 012
TOTAL		2 739 939 871		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			27	730 312	0.00%	0.03%
EAFRD			9	410 934	0.00%	0.12%
EAGF/EAFRD			6	617 392	N/A	N/A
EFF						
TOTAL	0	0	42	1 758 638	0.00%	0.06%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	11		11	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	1 630 478 186.00	1 691 761 508.00	10 544 142 616.00	6 509 302 983.38		
Cohesion Fund	549 073 008.00	619 392 948.70	3 137 106 396.00	1 701 849 826.20	5.00%	1.40%
ESF	603 030 558.00	577 688 731.78	3 766 464 927.00	1 738 342 814.76	5.00%	0.00%
TOTAL	2 782 581 752.00	2 888 843 188.48	17 447 713 939.00	9 949 495 624.34		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	0	0	100	58 077 087	0.00%	2.01%
ERDF			18	5 814 503	0.00%	0.34%
Cohesion Fund			62	48 664 071	0.00%	7.86%
ESF			20	3 598 512	0.00%	0.62%
Programming Period 2007-13 - cumulative	0	0	372	173 044 117	0.00%	1.74%
ERDF			321	151 943 998	0.00%	2.33%
Cohesion Fund			29	17 419 627	0.00%	1.02%
ESF			22	3 680 492	0.00%	0.21%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	0	0	0	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
85	5	0	13	159	0	262	448
Additional corrections (withdrawals and recoveries) reported as implemented by Greece for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				63	0	0	63

SPAIN

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		324	36 927 772	109	6 548 484

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	632 027 005	0.12%	515 787
EAGF	direct aids	5 235 658 843	2.00%	97 402 843
EAFRD	rural development	826 305 997	1.76%	12 692 331
EFF	fisheries	194 609 146	8.20%	15 957 950
TOTAL		6 888 600 991		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	6	150 841	197	8 491 805	0.003%	0.14%
EAFRD			67	2 223 740		0.27%
EFF			35	3 039 296		1.56%
TOTAL	6	150 841	299	13 754 841	0.002%	0.20%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	30	3	33

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	40	1	41	2%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	3 097 652 305.00	3 673 468 651.79	19 935 508 286.00	11 344 461 477.01		
Cohesion Fund	175 309 535.00	228 593 893.71	3 424 002 524.00	2 259 442 555.60	4.30%	2.10%
ESF	1 064 085 243.00	1 350 908 214.66	6 982 796 886.48	4 306 430 567.44	3.70%	0.50%
TOTAL	4 337 047 083.00	5 252 970 760.16	30 342 307 696.48	17 910 334 600.05		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	2	85 670	191	31 075 305	0.00%	0.59%
ERDF	2	85 670	114	26 022 345	0.00%	0.71%
Cohesion Fund			2	29 291	0.00%	0.01%
ESF			75	5 023 669	0.00%	0.37%
Programming Period 2007-13 - cumulative	4	143 836	339	61 774 215	0.00%	0.34%
ERDF	3	123 586	234	52 540 943	0.00%	0.46%
Cohesion Fund			2	29 291	0.00%	0.00%
ESF	1	20 250	103	9 203 981	0.00%	0.21%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	31	7	38

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	4		4	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
47	2	1 952	81	84	7	2 172	159
Additional corrections (withdrawals and recoveries) reported as implemented by Spain for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				137	0	6	143

FRANCE

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		13	0	285	24 250 220

2. Natural Resources					
Fund	Area	Payments	Residual error rate	Residual amount at risk	
		EUR	%	EUR	
EAGF	agricultural markets	731 243 038	0.95%	4 651 574	
EAGF	direct aids	7 921 632 055	4.74%	357 379 256	
EAFRD	rural development	944 190 510	2.84%	26 280 512	
EFF	fisheries	9 318 657	4.03%	375 542	
TOTAL		9 606 384 261			

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	115 794	72	3 032 831	0.001%	0.04%
EAFRD			26	566 604		0.06%
EFF						
TOTAL	2	115 794	98	3 599 435	0.00%	0.04%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	40	1	41

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	27		27	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	1 196 248 297.00	568 791 886.98	6 834 484 263.00	3 520 987 832.32	4.70%	1.70%
ESF	801 155 481.00	580 776 605.92	4 577 369 400.00	2 305 246 013.66	2.80%	1.70%
TOTAL	1 997 403 778.00	1 149 568 492.90	11 411 853 663.00	5 826 233 845.98		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	0	0	70	12 438 010	0.00%	1.08%
ERDF			45	12 438 010	0.00%	2.19%
ESF			25	0	0.00%	0.00%
Programming Period 2007-13 - cumulative	0	0	71	53 680	0.00%	0.00%
ERDF			45		0.00%	0.00%
ESF			26	53 680	0.00%	0.00%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	0	0	0	N/A

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
	64	1	20	0	37	2	123
							33
Additional corrections (withdrawals and recoveries) reported as implemented by France for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				42	36	0	78

Audit conclusions show that substantive improvements are needed in the French certifying authority reporting EFF recovery figures

ITALY

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		89	5 913 615	142	11 729 209

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	755 450 093	0.01%	58 970
EAGF	direct aids	4 056 640 416	2.07%	80 834 804
EAFRD	rural development	1 321 432 287	0.54%	6 273 003
EFF	fisheries	0	10.00%	0
TOTAL		6 133 522 796		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	29	20 537 635	146	11 817 415	0.43%	0.25%
EAFRD	3	482 538	65	3 431 014	0.04%	0.26%
EAGF/EAFRD			2	47 954	N/A	N/A
EFF	2	111 414	5	195 845		
TOTAL	34	21 131 587	218	15 492 229	0.34%	0.25%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	79	14	94

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	199	5	204	2%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	3 049 791 865.00	1 390 346 902.68	17 953 069 600.00	5 438 699 788.55	1.10%	0.60%
ESF	1 024 071 685.00	1 135 171 401.35	5 859 414 223.23	3 159 602 478.18	1.40%	0.80%
TOTAL	4 073 863 550.00	2 525 518 304.03	23 812 483 823.23	8 598 302 266.73		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	21	61 181 624	128	11 633 460	2.42%	0.46%
ERDF	18	60 888 161	126	11 525 134	4.38%	0.83%
ESF	3	293 463	2	108 326	0.03%	0.01%
Programming Period 2007-13 - cumulative	34	62 629 942	222	62 948 218	0.73%	0.73%
ERDF	26	62 200 173	197	54 736 162	1.14%	1.01%
ESF	8	429 769	25	8 212 057	0.01%	0.26%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	27	8	34

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	34		34	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
209	0	57	0	3	7	275	50
Additional corrections (withdrawals and recoveries) reported as implemented by Italy for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				99	22	0	121

CYPRUS

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		0	0	4	165 473

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	6 856 609	0.93%	55 464
EAGF	direct aids	39 185 107	1.15%	450 985
EAFRD	rural development	19 979 799	0.84%	152 109
EFF	fisheries	2 202 184	1.46%	32 152
TOTAL		68 223 699		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						
EAFRD			1	81 675		0.41%
EFF						
TOTAL	0	0	1	81 675		0.12%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	0	0	0	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	19 595 431.00	19 152 925.98	259 474 014.00	117 120 585.44		
Cohesion Fund	16 014 901.00	9 105 775.82	196 869 285.00	102 982 220.42	3.10%	1.80%
ESF	8 398 042.00	14 178 120.52	111 203 151.00	51 297 145.29	2.90%	0.00%
TOTAL	44 008 374.00	42 436 822.32	567 546 450.00	271 399 951.15		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	1	90 724	3	61 899	0.21%	0.15%
ERDF	1	90 724			0.47%	0.00%
Cohesion Fund			3	61 899	0.00%	0.68%
ESF					0.00%	0.00%
Programming Period 2007-13 - cumulative	1	90 724	4	85 461	0.03%	0.03%
ERDF	1	90 724	1	23 562	0.08%	0.02%
Cohesion Fund					0.00%	0.00%
ESF			3	61 899	0.00%	0.12%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12		1	1	100%

4. Financial Corrections and recoveries								
Breakdown-down of 2012 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011	
	8	0	0	0	0	8	3	
Additional corrections (withdrawals and recoveries) reported as implemented by Cyprus for the period 2007-13					ERDF/CF	ESF	EFF	Total 2012
					0	0	0	1

LATVIA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		4	330 397	20	2 126 130

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	8 193 919	0.00%	0
EAGF	direct aids	119 206 648	3.38%	3 860 087
EAFRD	rural development	214 814 467	0.55%	1 147 212
EFF	fisheries	21 230 405	0.72%	152 859
TOTAL		363 445 439		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						
EAFRD	3	79 903	15	513 427	0.04%	0.24%
EFF	1	347 118			1.64%	
TOTAL	4	427 021	15	513 427	0.12%	0.14%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	12	2	14

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	4	1	5	20%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	405 490 379.00	387 390 915.88	1 970 626 409.00	1 193 054 073.76		
Cohesion Fund	255 041 601.00	214 510 232.64	1 265 361 605.00	709 325 647.39	0.90%	1.00%
ESF	91 392 770.00	112 274 801.81	484 678 829.00	462 372 474.33	0.90%	0.70%
TOTAL	751 924 750.00	714 175 950.33	3 720 666 843.00	2 364 752 195.48		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	11	6 691 168	31	2 814 180	0.94%	0.39%
ERDF	6	6 623 350	23	2 158 583	1.71%	0.56%
Cohesion Fund			3	573 364	0.00%	0.27%
ESF	5	67 818	5	82 233	0.06%	0.07%
Programming Period 2007-13 - cumulative	18	14 565 094	82	8 298 263	0.62%	0.35%
ERDF	12	14 488 764	64	7 172 024	1.21%	0.60%
Cohesion Fund	1	8 512	4	595 203	0.00%	0.08%
ESF	5	67 818	14	531 037	0.01%	0.11%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	13	5	18

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	17	1	18	6%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
0		1	1	9	0	12	0
Additional corrections (withdrawals and recoveries) reported as implemented by Latvia for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				7	0	0	7

LITHUANIA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		14	413 947	24	874 586

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	19 154 760	0.00%	0
EAGF	direct aids	308 203 805	0.04%	127 578
EAFRD	rural development	237 177 796	0.28%	620 614
EFF	fisheries	5 503 908	0.00%	0
TOTAL		570 040 270		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			22	520 355		0.16%
EAFRD	1	375 000	69	2 456 606	0.16%	1.04%
EFF						
TOTAL	1	375 000	91	2 976 961	0.07%	0.52%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	16	4	20

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	6		6	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	546 772 985.00	511 609 098.86	2 854 062 211.00	2 200 327 918.94		
Cohesion Fund	408 454 142.00	354 992 288.86	1 866 564 717.00	1 430 659 165.40	1.20%	1.10%
ESF	163 352 251.00	147 386 035.19	852 671 035.00	633 837 651.62	1.20%	1.10%
TOTAL	1 118 579 378.00	1 013 987 422.91	5 573 297 963.00	4 264 824 735.96		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	3	495 290	86	3 838 777	0.05%	0.38%
ERDF			59	2 239 519	0.00%	0.44%
Cohesion Fund	2	434 137	25	1 559 759	0.12%	0.44%
ESF	1	61 153	2	39 500	0.04%	0.03%
Programming Period 2007-13 - cumulative	7	984 921	233	61 326 141	0.02%	1.44%
ERDF	1		122	17 861 608	0.00%	0.81%
Cohesion Fund	3	674 104	105	43 391 497	0.05%	3.03%
ESF	3	310 818	6	73 036	0.05%	0.01%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	16	14	29

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	7		7	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
3	4	3	1	0	0	10	0
Additional corrections (withdrawals and recoveries) reported as implemented by Lithuania for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				3	0	0	3

LUXEMBOURG

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		0	0		

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	521 014	0.00%	0
EAGF	direct aids	34 276 200	0.49%	169 439
EAFRD	rural development	9 348 662	0.97%	90 742
TOTAL		44 145 876		

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						
EAFRD			1	8 046		0.09%
TOTAL	0	0	1	8 046		0.02%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	0	0	0	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	3 748 989.00	1 814 097.87	21 419 697.00	13 420 457.79	0.00%	0.00%
ESF	3 748 989.00	3 853 491.84	21 419 697.00	12 737 026.15	0.40%	0.00%
TOTAL	7 497 978.00	5 667 589.71	42 839 394.00	26 157 483.94		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	0	0	1	5 687	0.00%	0.10%
ERDF					0.00%	0.00%
ESF			1	5 687	0.00%	0.15%
Programming Period 2007-13 - cumulative	0	0	8	210 788	0.00%	0.81%
ERDF					0.00%	0.00%
ESF			8	210 788	0.00%	1.65%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	0	0	0	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
0		0	0	0	0	0	0

Additional corrections (withdrawals and recoveries) reported as implemented by Luxembourg for the period 2007-13	ERDF/CF	ESF	EFF	Total 2012
	0	0	0	0

HUNGARY

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		3	40 946	61	1 989 923

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	87 486 071	0.02%	9 396
EAGF	direct aids	1 078 310 382	2.92%	30 123 222
EAFRD	rural development	444 085 579	3.04%	12 501 383
EFF	fisheries	8 574 578	0.02%	1 715
TOTAL		1 618 456 611		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	14	2 474 121	16	916 089	0.21%	0.08%
EAFRD			224	5 758 740		1.30%
EFF						
TOTAL	14	2 474 121	240	6 674 829	0.15%	0.41%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	37	1	38

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	89	3	92	3%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	1 796 134 618.00	1 399 841 573.11	10 756 091 411.00	6 380 135 101.34	2.70%	1.80%
Cohesion Fund	1 627 041 575.00	446 844 649.93	6 928 220 295.00	3 035 221 867.27		
ESF	509 567 680.00	375 891 049.33	3 091 935 656.00	1 591 448 077.99	1.20%	0.00%
TOTAL	3 932 743 873.00	2 222 577 272.37	20 776 247 362.00	11 006 805 046.60		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	2	538 727	63	7 046 006	0.02%	0.32%
ERDF	2	538 727	49	4 756 555	0.04%	0.34%
Cohesion Fund			5	1 950 042	0.00%	0.44%
ESF			9	339 410	0.00%	0.09%
Programming Period 2007-13 - cumulative	5	599 373	185	41 950 702	0.01%	0.38%
ERDF	4	538 727	104	34 944 653	0.01%	0.55%
Cohesion Fund			18	3 118 992	0.00%	0.10%
ESF	1	60 647	63	3 887 057	0.00%	0.24%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	18	9	27

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	5		5	0%

4. Financial Corrections and recoveries							
Breakdown of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
6	0	0	0	0	0	6	41
Additional corrections (withdrawals and recoveries) reported as implemented by Hungary for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				21	0	0	21

MALTA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		1	0		

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	1 045 419	0.00%	0
EAGF	direct aids	4 282 161	1.09%	46 836
EAFRD	rural development	9 002 134	0.44%	37 227
EFF	fisheries	736 367	0.00%	0
TOTAL		15 066 081		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			1	75 099		1.41%
EAFRD			2	39 443		0.44%
EFF						
TOTAL	0	0	3	114 542		0.76%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	0	0	0	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	58 387 885.00	49 445 259.41	375 479 456.00	163 512 388.11		
Cohesion Fund	44 489 136.00	24 929 371.91	251 885 664.00	114 399 860.75	1.90%	1.30%
ESF	22 000 000.00	8 925 604.51	86 000 000.00	34 652 977.89	1.90%	1.50%
TOTAL	124 877 021.00	83 300 235.83	713 365 120.00	312 565 226.75		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	0	0	3	52 963	0.00%	0.06%
ERDF			1	14 367	0.00%	0.03%
Cohesion Fund					0.00%	0.00%
ESF			2	38 596	0.00%	0.43%
Programming Period 2007-13 - cumulative	0	0	6	145 790	0.00%	0.05%
ERDF			3	92 085	0.00%	0.06%
Cohesion Fund					0.00%	0.00%
ESF			3	53 706	0.00%	0.15%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	0	0	0	0%

4. Financial Corrections and recoveries								
Breakdown-down of 2012 financial corrections implemented under shared management								
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011	
0						0	0	
Additional corrections (withdrawals and recoveries) reported as implemented by Malta for the period 2007-13					ERDF/CF	ESF	EFF	Total 2012
					0	0	0	0

NETHERLANDS

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		10	0	516	87 542 924

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	100 668 679	12.67%	9 603 638
EAGF	direct aids	819 962 997	2.17%	16 984 565
EAFRD	rural development	97 078 371	1.33%	1 266 423
EFF	fisheries	8 001 999	1.24%	99 225
TOTAL		1 025 712 046		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	28 721 881	60	9 544 578	3.12%	1.04%
EAFRD			9	544 431		0.56%
EFF						
TOTAL	1	28 721 881	69	10 089 009	2.80%	0.98%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	158	8	166

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	5		5	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	123 300 000.00	71 282 110.47	704 300 000.00	403 035 438.75	1.20%	0.90%
ESF	123 230 440.00	127 244 107.61	704 241 688.00	353 641 371.08	1.70%	0.00%
TOTAL	246 530 440.00	198 526 218.08	1 408 541 688.00	756 676 809.83		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	0	0	28	2 488 799	0.00%	1.25%
ERDF			27	2 478 927	0.00%	3.48%
ESF			1	9 872	0.00%	0.01%
Programming Period 2007-13 - cumulative	0	0	71	7 738 388	0.00%	1.02%
ERDF			53	7 059 842	0.00%	1.75%
ESF			18	678 547	0.00%	0.19%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	0	0	0	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
17	2	0	0	0	0	20	53
Additional corrections (withdrawals and recoveries) reported as implemented by the Netherlands for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				1	1	0	2

AUSTRIA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		10	669 369	46	2 187 964

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	29 324 685	0.04%	11 259
EAGF	direct aids	714 555 712	2.25%	15 726 062
EAFRD	rural development	536 750 711	3.55%	17 837 452
EFF	fisheries	729 306	0.92%	6 710
TOTAL		1 281 360 414		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			2	42 204		0.01%
EAFRD			3	25 179		0.005%
EFF						
TOTAL	0	0	5	67 383		0.01%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	4		4	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	98 237 680.00	29 132 198.48	581 329 390.00	269 894 493.96	25.00%	15.10%
ESF	76 730 454.00	127 612 653.38	446 758 781.00	358 928 362.48	1.40%	1.50%
TOTAL	174 968 134.00	156 744 851.86	1 028 088 171.00	628 822 856.44		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	2	34 805	12	269 109	0.02%	0.17%
ERDF					0.00%	0.00%
ESF	2	34 805	12	269 109	0.03%	0.21%
Programming Period 2007-13 - cumulative	7	1 093 829	49	5 042 649	0.17%	0.80%
ERDF	5	1 059 024	36	4 750 325	0.39%	1.76%
ESF	2	34 805	13	292 324	0.01%	0.08%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	22	6	28

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	7		7	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
	1				0	1	0
Additional corrections (withdrawals and recoveries) reported as implemented by Austria for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				0	0	0	0

POLAND

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		22	737 511	110	4 698 566

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	377 701 691	0.28%	132 227
EAGF	direct aids	2 457 552 883	0.96%	23 328 534
EAFRD	rural development	2 041 824 877	0.93%	18 524 561
EFF	fisheries	63 019 618	0.01%	6 302
TOTAL		4 940 099 070		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	23	4 457 284	54	2 354 037	0.16%	0.08%
EAFRD	12	593 234	172	9 168 487	0.03%	0.45%
EFF			11	330 596		0.52%
TOTAL	35	5 050 518	237	11 853 120	0.10%	0.24%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	15	13	28

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	171	11	182	6%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	5 203 474 903.00	5 316 207 350.23	29 464 332 318.00	19 407 008 318.80	0.80%	0.40%
Cohesion Fund	4 027 865 883.00	3 124 607 865.57	17 919 642 588.00	10 024 257 252.43		
ESF	1 474 185 773.00	1 657 381 687.52	8 497 341 871.00	5 682 850 814.11		
TOTAL	10 705 526 559.00	10 098 196 903.32	55 881 316 777.00	35 114 116 385.34		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	31	8 393 727	781	225 296 711	0.08%	2.23%
ERDF	25	7 265 689	646	101 767 739	0.14%	1.91%
Cohesion Fund	1	0	45	119 469 531	0.00%	3.82%
ESF	5	1 128 037	90	4 059 442	0.07%	0.24%
Programming Period 2007-13 - cumulative	93	59 460 351	1 686	352 378 024	0.17%	1.00%
ERDF	74	56 900 201	1 408	202 083 139	0.29%	1.04%
Cohesion Fund	2		60	128 362 265	0.00%	1.28%
ESF	17	2 560 150	218	21 932 621	0.05%	0.39%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	19	11	30

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	91	2	93	2%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
12	2	45	79	23	0	162	148
Additional corrections (withdrawals and recoveries) reported as implemented by Poland for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				120	0	0	120

PORTUGAL

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		0	0	21	815 002

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	130 127 500	0.58%	493 272
EAGF	direct aids	646 390 945	4.30%	23 746 209
EAFRD	rural development	678 909 914	4.78%	30 857 172
EFF	fisheries	28 194 561	1.58%	445 474
TOTAL		1 483 622 920		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			60	2 857 620		0.37%
EAFRD			68	2 607 898		0.38%
EFF	1	210 050	6	828 250	0.75%	2.94%
TOTAL	1	210 050	134	6 293 768	0.01%	0.42%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	5		5	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	1 604 889 902.00	2 738 472 686.17	9 855 129 460.00	6 834 011 451.57		
Cohesion Fund	454 441 810.00	735 654 557.05	2 596 434 879.00	1 343 097 687.26	1.30%	1.00%
ESF	1 066 319 853.00	1 110 206 178.91	5 800 625 625.00	4 493 575 885.14	1.70%	1.30%
TOTAL	3 125 651 565.00	4 584 333 422.13	18 252 189 964.00	12 670 685 023.97		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	6	243 860	95	9 394 291	0.01%	0.20%
ERDF	1	30 374	48	6 955 798	0.00%	0.25%
Cohesion Fund	1	91 452	6	945 116	0.01%	0.13%
ESF	4	122 035	41	1 493 378	0.01%	0.13%
Programming Period 2007-13 - cumulative	8	417 723	188	37 646 563	0.00%	0.30%
ERDF	1	30 374	104	31 720 907	0.00%	0.46%
Cohesion Fund	1	91 452	10	1 380 654	0.01%	0.10%
ESF	6	295 897	74	4 545 002	0.01%	0.10%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	17	23	40

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	8		8	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
15	1	117	0	0	0	134	26
Additional corrections (withdrawals and recoveries) reported as implemented by Portugal for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				36	14	1	51

ROMANIA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		20	1 877 170	42	29 479 706

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	114 285 829	0.00%	49
EAGF	direct aids	904 138 996	4.28%	37 592 651
EAFRD	rural development	1 101 919 904	1.76%	19 174 737
EFF	fisheries	0	12.01%	0
TOTAL		2 120 344 729		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			67	2 280 511		0.22%
EAFRD	10	3 536 865	256	15 649 155	0.32%	1.42%
EFF			3	7 664 966		N/A
TOTAL	10	3 536 865	326	25 594 632	0.17%	1.21%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	30	2	32

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	95		95	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	1 628 040 133.00	599 559 673.95	7 189 759 063.00	2 081 208 567.96	3.60%	1.10%
Cohesion Fund	1 192 582 076.00	427 242 258.93	5 274 131 368.00	1 429 791 149.01		
ESF	691 150 152.00	110 860 554.11	2 981 564 647.00	799 016 837.33		
TOTAL	3 511 772 361.00	1 137 662 486.99	15 445 455 078.00	4 310 016 554.30		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	34	6 020 393	245	61 492 098	0.53%	5.41%
ERDF	12	3 659 657	160	29 553 515	0.61%	4.93%
Cohesion Fund			55	29 513 100	0.00%	6.91%
ESF	22	2 360 736	30	2 425 483	2.13%	2.19%
Programming Period 2007-13 - cumulative	40	7 027 159	317	66 894 594	0.16%	1.55%
ERDF	17	4 657 528	194	33 983 559	0.22%	1.63%
Cohesion Fund			66	29 996 626	0.00%	2.10%
ESF	23	2 369 631	57	2 914 409	0.30%	0.36%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	20	8	29

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	40		40	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
24	12	22	0	81	0	139	53
Additional corrections (withdrawals and recoveries) reported as implemented by Romania for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				2	0	0	2

SLOVENIA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		5	381 597	18	388 676

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	8 778 393	0.85%	50 859
EAGF	direct aids	116 145 041	1.99%	2 178 638
EAFRD	rural development	122 609 927	0.97%	1 173 419
EFF	fisheries	3 384 733	0.00%	0
TOTAL		250 918 094		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			2	9 736 345		7.79%
EAFRD	1	38 745	5	65 783	0.03%	0.05%
EFF						
TOTAL	1	38 745	7	9 802 128	0.02%	3.91%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	31	3	34

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	13	1	14	7%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-13		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	243 424 491.00	324 390 328.83	1 709 520 399.00	1 219 282 147.04	4.90%	3.00%
Cohesion Fund	278 059 808.00	87 218 988.82	1 090 509 909.00	463 258 104.17		
ESF	95 127 569.00	134 226 321.48	668 061 457.00	380 893 068.46	0.10%	0.30%
TOTAL	616 611 868.00	545 835 639.13	3 468 091 765.00	2 063 433 319.67		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2012	5	1 241 736	13	641 405	0.23%	0.12%
ERDF	5	1 241 736	5	298 862	0.38%	0.09%
Cohesion Fund			2	212 702	0.00%	0.24%
ESF			6	129 841	0.00%	0.10%
Programming Period 2007-13 - cumulative	10	2 760 939	65	7 712 741	0.13%	0.37%
ERDF	10	2 760 939	31	4 826 204	0.23%	0.40%
Cohesion Fund			3	273 545	0.00%	0.06%
ESF			31	2 612 992	0.00%	0.69%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-12	176	10	185

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-12	5	5	10	50%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
0	0				0	0	4
Additional corrections (withdrawals and recoveries) reported as implemented by Slovenia for the period 2007-13				ERDF/CF	ESF	EFF	Total 2012
				3	3	0	6

SLOVAKIA

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
	1	46 323	19	1 515 985	1.21%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	9 557 899	0.16%	13 997
EAGF	direct aids	319 362 240	1.99%	6 153 778
EAFRD	rural development	274 899 211	0.39%	979 070
EFF	fisheries	0	0.05%	0
TOTAL		603 819 350		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			5	402 664		0.12%
EAFRD	2	235 283	21	2 078 608	0.09%	0.76%
EFF			1	18 000		N/A
TOTAL	2	235 283	27	2 499 271	0.04%	0.41%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	10	0	10

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	2		2	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	916 474 844.00	921 147 054.92	4 953 728 832.00	2 827 267 217.06		
Cohesion Fund	783 260 567.00	353 484 928.08	3 309 589 040.00	1 289 653 933.58	3.20%	1.20%
ESF	218 996 570.00	247 796 910.76	1 223 307 200.00	597 291 645.35	2.10%	0.00%
TOTAL	1 918 731 981.00	1 522 428 893.76	9 486 625 072.00	4 714 212 795.99		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	3	1 217 712	185	56 350 768	0.08%	3.70%
ERDF			111	20 701 255	0.00%	2.25%
Cohesion Fund	2	1 165 694	14	26 852 112	0.33%	7.60%
ESF	1	52 018	60	8 797 400	0.02%	3.55%
Programming Period 2007-2013 - cumulative	12	6 436 047	304	83 482 066	0.14%	1.77%
ERDF	2	2 593 679	184	32 156 674	0.09%	1.14%
Cohesion Fund	3	1 165 694	23	36 067 899	0.09%	2.80%
ESF	7	2 676 674	97	15 257 493	0.45%	2.55%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	16	19	35

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	12		12	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
0		29	17	11	0	57	5
Additional corrections (withdrawals and recoveries) reported as implemented for the period 2007-2013				ERDF/CF	ESF	EFF	Total 2012
				24	0	0	24

FINLAND

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
		11	372 132	24	2 359 280

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	18 304 299	0.56%	38 894
EAGF	direct aids	534 104 661	2.46%	11 979 282
EAFRD	rural development	308 671 425	1.40%	4 237 209
EFF	fisheries	5 914 242	0.42%	24 840
TOTAL		866 994 626		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						
EAFRD			7	205 016		0.07%
EFF			1	94 935		1.61%
TOTAL	0	0	8	299 951		0.03%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	1		1	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	133 983 947.00	104 391 510.45	846 670 981.00	510 934 529.43	0.50%	0.40%
ESF	80 692 187.00	115 977 937.46	542 190 663.00	362 545 787.69	1.70%	1.20%
TOTAL	214 676 134.00	220 369 447.91	1 388 861 644.00	873 480 317.12		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	0	0	7	187 226	0.00%	0.08%
ERDF			5	119 575	0.00%	0.11%
ESF			2	67 651	0.00%	0.06%
Programming Period 2007-2013 - cumulative	2	18 823	23	638 999	0.00%	0.07%
ERDF	1	18 823	15	441 059	0.00%	0.09%
ESF	1	0	8	197 940	0.00%	0.05%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	2		2	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
	1	0	0	0	0	1	0
Additional corrections (withdrawals and recoveries) reported as implemented by Finland for the period 2007-2013				ERDF/CF	ESF	EFF	Total 2012
				0	0	0	1

SWEDEN

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
	0	0	55	6 666 923	1.08%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	26 668 580	1.29%	231 980
EAGF	direct aids	689 031 580	0.21%	1 463 292
EAFRD	rural development	294 264 231	1.78%	4 894 417
EFF	fisheries	0	3.13%	0
TOTAL		1 009 964 391		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			11	378 396		0.05%
EAFRD	2	16 508	16	297 931	0.01%	0.10%
EFF						
TOTAL	2	16 508	27	676 326	0.002%	0.07%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	8	1	8

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	4		4	0%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	138 790 577.00	110 051 001.77	792 974 342.00	557 049 277.76	3.50%	2.20%
ESF	102 703 693.00	0.00	586 793 391.00	309 496 842.00		1.30%
TOTAL	241 494 270.00	110 051 001.77	1 379 767 733.00	866 546 119.76		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	1	90 150	27	814 096	0.08%	0.74%
ERDF	1	90 150	20	442 457	0.08%	0.40%
ESF			7	371 639	#DIV/0!	#DIV/0!
Programming Period 2007-2013 - cumulative	5	280 458	41	2 970 551	0.03%	0.34%
ERDF	4	250 443	30	2 473 051	0.04%	0.44%
ESF	1	30 015	11	497 500	0.01%	0.16%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	23	14	37

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	5		5	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
72	2	0	0	0	0	74	3
Additional corrections (withdrawals and recoveries) reported as implemented by Sweden for the period 2007-2013				ERDF/CF	ESF	EFF	Total 2012
				2	0	1	3

UNITED KINGDOM

1. Traditional Own Resources					
Reporting Year 2012	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
	4	0	980	70 235 011	1.95%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	58 592 132	0.19%	59 197
EAGF	direct aids	3 290 937 368	1.52%	49 786 981
EAFRD	rural development	741 574 443	1.23%	8 382 604
EFF	fisheries	32 650 846	10.00%	3 265 085
TOTAL		4 123 754 789		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	68 845	92	2 873 383	0.002%	0.09%
EAFRD	3	93 788	32	754 025	0.01%	0.10%
EFF						
TOTAL	4	162 633	124	3 627 408	0.004%	0.09%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	18	11	29

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	6	1	7	14%

3. Cohesion Policy						
Fund	Appropriations 2012		Cumulative PP2007-2013		2012 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments	%	%
	EUR	EUR	EUR	EUR		
ERDF	735 236 580.00	464 281 757.63	4 671 017 653.00	2 476 730 447.81	2.40%	0.90%
ESF	620 727 920.00	731 392 978.57	3 843 888 960.00	2 559 646 800.54	5.00%	2.50%
TOTAL	1 355 964 500.00	1 195 674 736.20	8 514 906 613.00	5 036 377 248.35		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-2013 - reporting year 2012	0	0	343	15 684 407	0.00%	1.31%
ERDF			222	8 853 384	0.00%	1.91%
ESF			121	6 831 023	0.00%	0.93%
Programming Period 2007-2013 - cumulative	22	514 592	846	68 680 332	0.01%	1.36%
ERDF	22	514 592	595	44 977 524	0.02%	1.82%
ESF			251	23 702 808	0.00%	0.93%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-2012	9	35	44

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-2012	22		22	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2012 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2012	Total 2011
27	4	4	0	12	2	50	44
Additional corrections (withdrawals and recoveries) reported as implemented by the United Kingdom for the period 2007-2013				ERDF/CF	ESF	EFF	Total 2012
				35	9	0	44

ANNEXES

ANNEX 1

TOR: Number of OWNRES cases and the established amounts by Member State 2008-2012

MS	2008		2009		2010		2011		2012	
	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR
BE	379	10 918 623	318	6 751 879	317	13 203 068	209	7 948 443	160	32 680 430
BG	19	380 840	34	955 592	51	617 099	30	249 934	15	3 010 916
CZ	65	4 924 253	68	3 519 436	70	9 097 538	49	2 885 084	69	2 921 712
DK	59	4 379 957	48	9 343 380	50	24 092 021	79	3 922 495	60	5 048 979
DE	1 847	101 279 352	1 375	86 633 421	1566	101 384 544	1618	94 772 855	1 212	100 629 216
EE	17	700 606	11	235 755	5	161 236	3	122 937	5	117 895
IE	54	1 908 762	57	3 676 572	39	1 839 600	31	885 119	33	1 631 006
EL	43	2 167 459	38	2 116 437	54	3 209 224	53	3 964 475	33	360 946
ES	521	28 171 691	527	30 244 339	478	92 612 766	411	56 173 275	433	43 476 256
FR	316	15 420 696	287	19 481 112	276	24 136 854	335	23 263 579	298	24 250 220
IT	321	32 291 971	315	37 615 136	350	45 101 672	292	30 146 572	231	17 642 824
CY	14	781 475	11	718 211	11	521 143	6	207 290	4	165 473
LV	25	943 437	19	1 014 694	19	1 543 092	38	1 278 206	24	2 456 527
LT	63	1 453 935	48	1 815 321	39	1 934 533	47	3 864 921	38	1 288 533
LU	1	109 902	0	0	0	0	0	0	0	0
HU	71	5 858 178	65	5 918 948	74	4 546 248	67	2 477 162	64	2 030 869
MT	3	279 533	7	1 762 703	2	495 717	1	0	1	0
NL	910	44 981 541	750	30 634 050	883	38 638 979	758	29 315 493	526	87 542 924
AT	104	14 963 049	169	26 812 032	169	10 433 130	78	3 502 878	56	2 857 333
PL	141	4 582 308	144	4 908 909	104	3 002 290	136	8 573 229	132	5 436 077
PT	29	1 901 045	23	910 020	29	923 479	21	877 153	21	815 002
RO	75	6 991 336	59	8 161 470	101	9 542 387	53	8 455 047	62	31 356 876
SI	26	883 519	51	2 570 321	45	1 306 938	22	1 290 681	23	770 273
SK	17	411 378	22	1 864 764	14	1 121 908	12	510 776	20	1 562 308
FI	21	911 440	30	1 710 974	32	1 418 191	55	4 030 318	35	2 731 412
SE	71	6 062 011	67	5 445 423	57	4 865 204	54	9 725 785	55	6 666 923
UK	1 080	67 498 442	806	59 050 424	835	34 917 695	775	42 337 435	984	70 235 011
Total	6 292	361 156 739	5 349	353 871 323	5 670	430 666 556	5 233	340 781 142	4 594	447 685 941

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)

MS	TOR: Number of OWNRES fraud cases and the established amounts by Member State 2008-2012											
	2008		2009		2010		2011		2012		2012	
	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR
BE	48	3 014 034	55	2 226 237	33	7 310 369	31	4 038 121	24	23 076 595	24	23 076 595
BG	15	326 188	22	838 087	47	591 291	24	99 525	10	1 613 618	10	1 613 618
CZ	5	79 088	2	23 656	1	13 042	1	38 622	0	0	0	0
DK	6	671 426	10	2 893 169	11	20 134 101	18	1 676 472	8	796 759	8	796 759
DE	261	28 889 172	98	12 896 231	172	22 214 614	110	8 325 787	72	4 048 792	72	4 048 792
EE	1	100 591	0	0	0	0	0	0	0	0	0	0
IE	13	0	11	0	21	995 680	11	0	5	0	5	0
EL	43	2 167 459	36	2 116 437	52	3 134 052	51	3 941 304	32	338 175	32	338 175
ES	244	19 055 221	257	18 102 978	334	80 306 570	266	34 079 833	324	36 927 772	324	36 927 772
FR	122	4 152 062	24	23 659	16	42 064	22	68 501	13	0	13	0
IT	174	18 119 509	180	20 650 667	179	14 056 457	122	10 344 533	89	5 913 615	89	5 913 615
CY	3	372 899	2	237 313	3	183 816						
LV	0	0	10	668 250	11	751 699	9	411 352	4	330 397	4	330 397
LT	16	517 543	18	685 154	14	1 183 216	21	3 091 076	14	413 947	14	413 947
LU	0	0	0	0	0	0	0	0	0	0	0	0
HU	22	2 224 502	11	1 625 032	5	229 308	6	221 654	3	40 946	3	40 946
MT	2	259 214	7	1 762 703	2	495 717	1	0	1	0	1	0
NL	101	2 455 234	77	6 280 458	57	2 313 738	26	506 776	10	0	10	0
AT	25	11 261 045	63	18 789 271	26	5 009 327	13	939 216	10	669 369	10	669 369
PL	50	1 834 170	40	998 040	26	1 133 151	30	826 377	22	737 511	22	737 511
PT	4	1 388 431	4	0	10	33 600	4	186 380	0	0	0	0
RO	27	1 495 620	15	6 324 670	13	3 327 675	17	1 699 018	20	1 877 170	20	1 877 170
SI	5	277 754	23	1 190 660	21	571 487	12	1 019 564	5	381 597	5	381 597
SK	4	126 413	11	760 833	0	0	0	0	1	46 323	1	46 323
FI	11	527 290	12	441 108	5	182 004	7	1 918 709	11	372 132	11	372 132
SE	3	0	4	51 724	9	525 597	2	13 375	0	0	0	0
UK	145	12 728 307	87	6 239 216	35	1 767 324	29	902 104	4	0	4	0
Total	1 350	112 043 172	1 079	105 825 553	1 103	166 505 899	833	74 348 299	682	77 584 718	682	77 584 718

ANNEX 4

MS	TOR: Percentage of established and estimated OWNRES amounts to the collected and made available TOR (gross) per Member State											
	Gross amount TOR		All		Fraud		Irregularities					
	EUR	Percentage OWNRES/gross TOR	OWNRES established and estimated amounts	Percentage OWNRES/gross TOR	OWNRES established and estimated amounts	Percentage OWNRES/gross TOR	OWNRES established and estimated amounts	Percentage OWNRES/gross TOR				
BE	2 134 469 345	1.53%	32 680 430	1.08%	23 076 595	1.08%	9 603 835	0.45%				
BG	61 246 180	4.92%	3 010 916	2.63%	1 613 618	2.63%	1 397 298	2.28%				
CZ	264 601 257	1.10%	2 921 712	0.00%	-	0.00%	2 921 712	1.10%				
DK	408 514 531	1.24%	5 048 979	0.20%	796 759	0.20%	4 252 220	1.04%				
DE	4 524 760 266	2.22%	100 629 216	0.09%	4 048 792	0.09%	96 580 424	2.13%				
EE	29 506 301	0.40%	117 895	0.00%	-	0.00%	117 895	0.40%				
IE	271 371 914	0.60%	1 631 006	0.00%	-	0.00%	1 631 006	0.60%				
EL	164 198 646	0.22%	360 946	0.21%	338 175	0.21%	22 771	0.01%				
ES	1 446 578 807	3.01%	43 476 256	2.55%	36 927 772	2.55%	6 548 484	0.45%				
FR	1 999 051 153	1.21%	24 250 220	0.00%	-	0.00%	24 250 220	1.21%				
IT	2 084 465 883	0.85%	17 642 824	0.28%	5 913 615	0.28%	11 729 209	0.56%				
CY	27 015 745	0.61%	165 473	0.00%	-	0.00%	165 473	0.61%				
LV	32 504 876	7.56%	2 456 527	1.02%	330 397	1.02%	2 126 130	6.54%				
LT	65 608 110	1.96%	1 288 533	0.63%	413 947	0.63%	874 586	1.33%				
LU	15 684 056	0.00%	-	0.00%	-	0.00%	-	0.00%				
HU	129 026 862	1.57%	2 030 869	0.03%	40 946	0.03%	1 989 923	1.54%				
MT	12 548 722	0.00%	-	0.00%	-	0.00%	-	0.00%				
NL	2 542 594 699	3.44%	87 542 924	0.00%	-	0.00%	87 542 924	3.44%				
AT	236 150 543	1.21%	2 857 333	0.28%	669 369	0.28%	2 187 964	0.93%				
PL	510 577 033	1.06%	5 436 077	0.14%	737 511	0.14%	4 698 566	0.92%				
PT	159 328 772	0.51%	815 002	0.00%	-	0.00%	815 002	0.51%				
RO	174 707 428	17.95%	31 356 876	1.07%	1 877 170	1.07%	29 479 706	16.87%				
SI	86 645 455	0.89%	770 273	0.44%	381 597	0.44%	388 676	0.45%				
SK	128 813 780	1.21%	1 562 308	0.04%	46 323	0.04%	1 515 985	1.18%				
FI	186 208 389	1.47%	2 731 412	0.20%	372 132	0.20%	2 359 280	1.27%				
SE	619 888 145	1.08%	6 666 923	0.00%	-	0.00%	6 666 923	1.08%				
UK	3 621 786 355	1.94%	70 235 011	0.00%	-	0.00%	70 235 011	1.94%				
Total	21 937 653 255	2.04%	447 685 941	0.35%	77 584 718	0.35%	370 101 223	1.69%				

ANNEX 5

Tor: Recovery rates (RR) per cut-off date						
MS	2011			2012		
	Established	Recovered	RR	Established	Recovered	RR
	EUR	EUR	%	EUR	EUR	%
BE	7 948 443	5 240 973	65.94%	32 680 430	5 357 250	16.39%
BG	249 934	53 440	21.38%	3 010 916	-	0.00%
CZ	2 885 084	1 987 995	68.91%	2 921 712	2 854 802	97.71%
DK	3 922 495	3 514 653	89.60%	5 048 979	2 876 300	56.97%
DE	94 772 855	78 692 117	83.03%	100 629 216	81 822 061	81.31%
EE	122 937	122 937	100.00%	117 895	61 869	52.48%
IE	885 119	848 144	95.82%	1 631 006	567 296	34.78%
EL	3 964 475	123 847	3.12%	360 946	21 806	6.04%
ES	56 173 275	14 142 159	25.18%	43 476 256	21 834 820	50.22%
FR	23 263 579	12 596 895	54.15%	24 250 220	13 033 796	53.75%
IT	30 146 572	4 970 768	16.49%	17 642 824	2 483 752	14.08%
CY	207 290	73 762	35.58%	165 473	-	0.00%
LV	1 278 206	309 135	24.19%	2 456 527	264 622	10.77%
LT	3 864 921	606 518	15.69%	1 288 533	951 503	73.84%
LU	-	-	-	-	-	-
HU	2 477 162	2 219 645	89.60%	2 030 869	1 973 980	97.20%
MT	-	-	-	-	-	-
NL	29 315 493	24 364 622	83.11%	87 542 924	11 016 112	12.58%
AT	3 502 878	1 370 895	39.14%	2 857 333	1 039 297	36.37%
PL	8 573 229	6 800 024	79.32%	5 436 077	3 271 789	60.19%
PT	877 153	523 557	59.69%	815 002	299 162	36.71%
RO	8 455 047	6 394 429	75.63%	31 356 876	15 463 343	49.31%
SI	1 290 681	613 965	47.57%	770 273	357 682	46.44%
SK	510 776	459 660	89.99%	1 562 308	1 562 308	100.00%
FI	4 030 318	1 976 608	49.04%	2 731 412	2 070 892	75.82%
SE	9 725 785	4 695 355	48.28%	6 666 923	4 869 273	73.04%
UK	42 337 435	33 952 736	80.20%	70 235 011	34 405 276	48.99%
EU-27	340 781 142	206 654 839	60.64%	447 685 941	208 458 991	46.56%

ANNEX 6

TOR: Established amounts by customs procedure per Member State 2012											
MS	Fraud					Irregularities					
	Release for free circulation	Transit	Customs warehousing	Inward processing	Other	Release for free circulation	Transit	Customs warehousing	Inward processing	Other	
BE	23 076 595	0	0	0	0	5 466 700	3 508 103	434 326	73 140	103 236	
BG	1 595 477	0	0	0	18 141	1 397 298					
CZ	0	0	0	0	0	2 879 060			42 652		
DK	134 044	0	0	662 715		3 075 608	1 112	1 028 683	117 162	29 655	
DE	3 865 942	0	182 850	0		85 190 526	1 027 320	3 512 158	1 771 541	4 923 866	
EE	0	0	0	0		117 895					
IE	0	0	0	0		805 733			784 265	41 008	
EL	309 965	28 210	0	0		22 771					
ES	35 162 424	0	1 450 093	315 255		4 379 746	36 710		2 072 646	59 382	
FR	0	0	0	0		23 513 160	34 430	82 331	213 502	406 797	
IT	5 897 083	0	16 532	0	0	11 427 801	18 520		76 843	38 340	
CY	0	0	0	0	0	165 473					
LV	17 035	313 362	0	0		2 126 130					
LT	33 239	148 137	0	38 777	193 794	863 198	11 388				
LU	0	0	0	0	0	0					
HU	40 946	0	0	0		1 989 923					
MT	0	0	0	0	0	0					
NL	0	0	0	0	0	76 712 709	1 153 896	308 710	5 099 069	1 231 463	
AT	659 001	0	0	0	10 368	2 040 283	34 132		71 999	26 550	
PL	334 531	277 593	0	0	125 387	4 515 352	172 757			10 457	
PT	0	0	0	0	0	815 002					
RO	1 800 776	0	0	0	76 394	29 204 829		67 067		207 810	
SI	155 766	112 348	0	0	113 483	357 576	31 100				
SK	46 323	0	0	0		1 515 985					
FI	372 132	0	0	0		2 046 052		302 368		10 860	
SE	0	0	0	0	0	6 072 599	337 855	172 750	28 137	55 582	
UK	0	0	0	0	0	55 687 964	34 869	1 601 394	12 452 505	458 279	
EU-27	73 501 279	879 650	1 649 475	1 016 747	537 567	322 389 373	6 402 192	7 509 787	22 803 461	7 603 285	

ANNEX 7

MS	N	TOR: Method of detection by number of cases per Member state 2012													
		Fraud							Irregularities						
		All	Clearance controls	Post-clearance controls	Inspections by antifraud services	Voluntary admission	Tax audit	Other	All	Clearance controls	Post-clearance controls	Inspections by antifraud services	Voluntary admission	Tax audit	Other
BE	160	24	2	2	22			136	15	93	11		1	16	
BG	15	10	8	2				5	2	3					
CZ	69							69	10	34	25				
DK	60	8	1	7				52	10	38			4		
DE	1 212	72	2	6	44		11	1 140	100	363	19	187	402	69	
EE	5	0						5	1	2	2				
IE	33	5			5			28	9	5	3		7	4	
EL	33	32	7		7		18	1			1				
ES	433	324	112	19	38	3	11	109	34	28	3	22	15	7	
FR	298	13	13					285	38	125	118	4			
IT	231	89	32	12	43		1	142	49	60	26	7			
CY	4							4		1				3	
LV	24	4	3	1				20		15		1	4		
LT	38	14	8	3	3			24	5	17	1	1			
LU	0	0						0							
HU	64	3	1	2				61	8	49	2	2			
MT	1	1			1			0							
NL	526	10	8		2			516	149	364	3				
AT	56	10		2	8			46	2	21	4	7	12		
PL	132	22	11	4	1		6	110	10	77	19	3	1		
PT	21	0						21	4	9	8				
RO	62	20		11	9		1	42	8	8	34				
SI	23	5	1	2	1			18	9	9					
SK	20	1		1				19		13		6			
FI	35	11	11					24	11	7		6			
SE	55	0						55	2	1		2	50		
UK	984	4			4			980		967	1	12			
EU-27	4 594	682	220	72	188	3	48	3 912	468	2 309	255	285	429	166	

ANNEX 8

MS	N	Fraud						Irregularities						
		All	Clearance controls	Post-clearance controls	Inspections by antifraud services	Voluntary admission	Tax audit	Other	All	Clearance controls	Post-clearance controls	Inspections by antifraud services	Voluntary admission	Tax audit
BE	32 662 100	23 076 595	18611		23 057 984			9 585 505	421 669	4268209	641 782		74 034	4 179 811
BG	3 010 916	1 613 618	1581599	32 019				1 397 298	1 328 795	68503				
CZ	2 921 712	0						2 921 712	442 744	1509848		969 120		
DK	5 048 979	796 759	22014	774 745				4 252 220	936 735	3138641				176 844
DE	100 474 203	4 048 792	103099	163 719	3 063 784			96 425 411	8 543 853	29170259	779 156	8 771 811	42 467 450	6 692 882
EE	117 895	0						117 895	32 566	25592	59 737			
IE	1 631 006	0						1 631 006	191 705	161637	41 329		912 302	324 033
EL	360 946	338 175	19274		46 582			22 771			22 771			
ES	43 476 256	36 927 772	7553874	2 073 555	7 015 411			6 548 484	1 980 733	1657840	74 213	797 675	1 426 653	611 370
FR	24 250 220	0						24 250 220	996 212	6076686	17 100 479	76 843		
IT	17 475 119	5 913 615	344266	902 454	4 071 951			11 561 504	1 519 072	6153721	3 122 589	766 122		
CY	165 473							165 473		18076				147 397
LV	2 456 527	330 397	260884	69 513				2 126 130		1973090		14 109	138 931	
LT	1 288 533	413 947	304476	55 604	53 867			874 586	101 171	636175	118 981	18 259		
LU	0	0						0						
HU	2 030 869	40 946		40 946				1 989 923	165 493	1433607	50 476	340 347		
MT	0	0						0						
NL	84 505 847	0						84 505 847	2 135 926	82 020 925	348 996			
AT	2 842 333	669 369		261 876	407 493			2 172 964	31 689	893 824	84 464	419 631		743 356
PL	5 436 077	737 511	368016	132 884	27 350			4 698 566	368 770	2 299 039	1 959 280	61 069		10 408
PT	815 002	0						815 002	55 930	585 685	173387			
RO	31 356 876	1 877 170		297 213	1 579 957			29 479 706		282 609	29 197 097			
SI	770 273	381 597	111204	138 064	113 483			388 676	181 400	207 276				
SK	1 562 308	46 323		46 323				1 515 985		1 306 317		209 668		
FI	2 731 412	372 132	372132					2 359 280	1 153 829	414 956		790 495		
SE	6 666 923	0						6 666 923	79 946	297 363		40 492		6 249 122
UK	70 235 011	0						70 235 011		66 214 599	15 222	4 005 190		
EUR-27	444 292 816	77 584 718	11 059 449	4 988 915	39 437 862			366 708 098	20 668 238	210 814 477	53 789 959	17 280 831	45 019 370	19 135 223

ANNEX 9

Tor: Recovery rates (RR) by fraud and irregularity per Member State 2012						
MS	Fraud			Irregularities		
	Established amount	Recovered amount	RR	Established amount	Recovered amount	RR
	EUR	EUR	%	EUR	EUR	%
BE	23 076 595	407 896	1.77%	9 585 505	4 949 354	51.63%
BG	1 613 618		0.00%	1 397 298		0.00%
CZ	-		0.00%	2 921 712	2 854 802	97.71%
DK	796 759	754 895	94.75%	4 252 220	2 121 405	49.89%
DE	4 048 792	863 533	21.33%	96 425 411	80 958 528	83.96%
EE	-		0.00%	117 895	61 869	52.48%
IE	-		0.00%	1 631 006	567 296	34.78%
EL	338 175	12 470	3.69%	22 771	9 336	41.00%
ES	36 927 772	17 703 885	47.94%	6 548 484	4 130 935	63.08%
FR	-		0.00%	24 250 220	13 033 796	53.75%
IT	5 913 615	150 702	2.55%	11 561 504	2 333 050	20.18%
CY			0.00%	165 473		0.00%
LV	330 397		0.00%	2 126 130	264 622	12.45%
LT	413 947	175 140	42.31%	874 586	776 363	88.77%
LU	-		0.00%	-		0.00%
HU	40 946	40 946	100.00%	1 989 923	1 933 034	97.14%
MT	-		0.00%	-		0.00%
NL	-		0.00%	84 505 847	11 016 112	13.04%
AT	669 369	25 957	3.88%	2 172 964	1 013 340	46.63%
PL	737 511	257 634	34.93%	4 698 566	3 014 155	64.15%
PT	-		0.00%	815 002	299 162	36.71%
RO	1 877 170	1 096 539	58.41%	29 479 706	14 366 804	48.73%
SI	381 597	44 562	11.68%	388 676	313 120	80.56%
SK	46 323	46 323	100.00%	1 515 985	1 515 985	100.00%
FI	372 132	43 019	11.56%	2 359 280	2 027 873	85.95%
SE	-		0.00%	6 666 923	4 869 273	73.04%
UK	-		0.00%	70 235 011	34 405 276	48.99%
EU-27	77 584 718	21 623 501	27.87%	366 708 098	186 835 490	50.95%

ANNEX 10

TOR: Examination of write-off cases in 2012											
MS	All		Acceptance		Refusal		Additional information request		Not appropriate		
	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR	
BE	17	9 712 326	3	746 943	9	4 643 279	5	4 322 104			
DK	2	1 717 438					2	1 717 438			
DE	131	24 542 143	31	5 105 093	48	6 032 812	45	11 901 332	7	1 502 906	
EL	1	1 482 660					1	1 482 660			
ES	50	15 768 038	10	1 408 551	17	3 763 695	22	10 453 140	1	142 652	
FR	3	519 251					3	519 251			
IT	2	181 721	-	-	2	181 721	-	-	-	-	
LV	5	1 113 310	1	71 565	2	220 139	2	821 606			
LT	3	445 942	1	101 191	1	83 275	1	261 475			
NL	2	1 231 109	1	1 114 350	1	116 759	-	-	-	-	
AT	24	6 257 961	12	4 732 661	3	376 839	1	52 984	8	1 095 477	
PL	1	131 676					1	131 676			
PT	6	1 619 017	2	384 965	2	989 684			2	244 368	
SK	5	1 103 223	2	824 135			3	279 088			
FI	3	582 622	3	582 622							
SE	3	1 003 880			1	360 003	2	643 877			
UK	5	862 946			2	159 382	1	100 551	2	603 013	
Total	263	68 275 262	66	15 072 077	88	16 927 588	89	32 687 180	20	3 588 416	

ANNEX 11

Irregularities reported in 2012 under Regulation 1848/2006 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)

MEMBER STATE	IRREGULARITIES REPORTED IN 2012						OF WHICH REPORTED AS FRAUDULENT									
	EAFRD		EAGF/EAFRD		TOTAL		EAFRD		EAGF		EAGF/EAFRD		TOTAL			
	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR		
Belgique / België	2	30 240	11	313 349	1	27 795	14	371 383	2	11 569			2	11 569		
Bulgaria	6	130 889	1	10 976			7	141 864	5	118 895			5	118 895		
Ceská Republika	84	1 965 739	24	485 367			108	2 451 106					2	31 028		
Denmark	12	200 322	99	3 692 591			111	3 892 913					56	1 310 263		
Deutchland	35	1 341 823	35	2 403 383	1	74 949	71	3 820 154	6	598 452	1	74 949	9	1 758 429		
Eesti	32	3 635 615					32	3 635 615	11	2 988 626			11	2 988 626		
Éire / Ireland	13	509 113	96	2 818 692			109	3 327 805	1	45 925			3	77 418		
Ellada	9	410 934	27	730 312	6	617 392	42	1 758 638					4	123 343		
España	67	2 223 740	203	8 642 646			270	10 866 386					6	150 841		
France	26	566 604	74	3 148 625			100	3 715 229					2	115 794		
Italia	68	3 913 552	175	32 355 050	2	47 954	245	36 316 557	3	482 538			29	20 537 635		
Kypros	1	81 675					1	81 675					0	0		
Latvija	18	593 330					18	593 330	3	79 903			3	79 903		
Lietuva	70	2 831 606	22	520 355			92	3 351 961	1	375 000			1	375 000		
Luxembourg			1	8 046			1	8 046					0	0		
Magyarország	224	5 758 740	30	3 390 210			254	9 148 950					14	2 474 121		
Malta	2	39 443	1	75 099			3	114 542					0	0		
Nederland	9	544 431	61	38 266 459			70	38 810 890					1	28 721 881		
Österreich	3	25 179	2	42 204			5	67 383					0	0		
Polska	184	9 761 721	77	6 811 321			261	16 573 042	12	593 234			23	4 457 284		
Portugal	68	2 607 898	60	2 857 620			128	5 465 518					0	0		
Romania	266	19 186 021	67	2 280 511			333	21 466 531	10	3 536 865			10	3 536 865		
Slovenija	6	104 528	4	9 790 607			10	9 895 135	1	38 745			2	54 262		
Slovensko	23	2 313 891	5	402 664			28	2 716 554	2	235 283			2	235 283		
Suomi / Finland	7	205 016					7	205 016					0	0		
Sverige	18	314 438	11	378 396			29	692 834	2	16 508			2	16 508		
United Kingdom	35	847 813	93	2 942 228			128	3 790 041	3	93 788			1	68 845		
TOTAL	1 288	60 144 299	1 179	122 366 710	10	768 090	2 477	183 279 099	60	9 203 762	143	59 095 969	1	74 949	204	68 374 680

ANNEX 12

Irregularities reported in 2012 under Regulation 498/2007 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)

MEMBER STATE	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		Total Reported irregularities	
	N	EUR	N	EUR	N	EUR
Ceská Republika			2	202 636	2	202 636
Éire / Ireland			10	136 460	10	136 460
España			35	3 039 296	35	3 039 296
Italia	2	111 414	5	195 845	7	307 258
Latvija	1	347 118			1	347 118
Polska			11	330 596	11	330 596
Portugal	1	210 050	6	828 250	7	1 038 300
Romania			3	7 664 966	3	7 664 966
Slovensko			1	18 000	1	18 000
Suomi / Finland			1	94 935		
TOTAL	4	668 581	74	12 510 984	78	13 179 566

ANNEX 13

Irregularities reported in 2012 under Regulation 1681/1994 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)

a) Number of irregularities

Member States	Reported irregularities					Of which reported as fraudulent				
	ERDF	ESF	EAGGF - Guidance	FIFG	TOTAL	ERDF	ESF	EAGGF - Guidance	FIFG	TOTAL
Ceská republika	26	3			29	1				1
Deutschland	56	40	2		98	2	13			15
Eesti	1				1					
España	235	9	52		296		1			1
Suomi/Finland	2			1	3					
Ellada			1		1					
Magyarország			7		7				1	1
Italia	333	8	28	4	373	37	7	9	1	54
Lietuva	1				1					
Latvija	2		5		7					
Polska	12	2	3		17	1				1
Portugal			9		9				6	6
Slovensko	4		1		5	1				1
United Kingdom	9	2		2	13				1	1
TOTAL	681	64	108	7	860	42	22	16	1	81

b) Irregular amounts

Member States	Reported irregularities					Of which reported as fraudulent				
	ERDF	ESF	EAGGF - Guidance	FIFG	TOTAL	ERDF	ESF	EAGGF - Guidance	FIFG	TOTAL
Ceská republika	2 327 833	150 781			2 478 614	37 642				37 642
Deutschland	8 379 795	3 884 558	2 072 142		14 336 494	97 621	1 627 626			1 725 247
Eesti	10 130				10 130					
España	447 503 539	257 305	2 612 847		450 373 691		7 777			7 777
Suomi/Finland	83 977			15 614	99 591					
Ellada			22 726		22 726					
Magyarország			466 036		466 036			188 887		188 887
Italia	86 935 475	1 105 948	3 558 806	408 988	92 009 218	33 427 162	181 526	23 646	14 385	36 655 419
Lietuva	1 233 581				1 233 581					
Latvija	107 095		224 980		332 074					
Polska	78 171 294	82 050	65 795		78 319 139	15 213				15 213
Portugal			1 200 856		1 200 856			1 144 838		1 144 838
Slovensko	391 504		219 506		611 010	145 865				145 865
United Kingdom	1 146 661	110 986		19 551	1 277 198		39 674			39 674
TOTAL	626 290 883	5 591 628	10 443 694	444 153	642 770 358	353 394	2 826 533	3 337 371	14 385	41 337 382

ANNEX 14

Irregularities reported in 2012 under Regulation 1831/1994 by Member State

Member States	Irregularities not reported as fraudulent	
	N	EUR
Ceská Republika	11	3 340 077
Éire / Ireland	5	4 046 787
Ellada	14	7 077 636
España	18	35 216 749
Lietuva	5	257 528
Magyarország	7	677 187
Polska	3	55 345 784
Portugal	19	10 151 338
Slovensko	1	339 855
TOTAL	83	116 452 940

ANNEX 15

Irregularities reported in 2012 under Regulation 1828/2006 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)

a) Number of irregularities

Member State	Total number of reported irregularities			of which reported as fraudulent			TOTAL
	ERDF	Cohesion Fund	ESF	ERDF	Cohesion Fund	ESF	
Belgique / België	19	0	13	0	0	0	0
Bulgaria	44	14	16	4	1	4	9
Ceská Republika	225	68	250	23	8	2	33
Denmark	0	0	1	0	0	0	0
Deutschland	79	0	53	6	0	22	28
Eesti	84	4	10	3	2	1	6
Ellada	62	18	20	0	0	0	0
España	116	2	75	2	0	0	2
France	45	0	25	0	0	0	0
Italia	144	0	5	18	0	3	21
Kypros	1	0	3	4	0	0	1
Latvija	29	3	10	6	0	5	11
Lietuva	59	27	3	89	2	1	3
Luxembourg	0	0	1	1	0	0	0
Magyarország	51	5	9	65	0	0	2
Malta	1	0	2	3	0	0	0
Nederlands	27	0	1	28	0	0	0
Österreich	0	0	14	14	0	2	2
Polska	671	46	95	812	1	5	31
Portugal	49	7	45	101	1	4	6
Romania	172	55	52	279	12	22	34
Slovenija	10	2	6	18	0	0	5
Slovensko	111	16	61	188	0	1	3
Suomi / Finland	5	0	2	7	0	0	0
Sverige	21	0	7	28	1	0	1
United Kingdom	222	0	121	343	0	0	0
TOTAL	2 247	267	900	3 414	109	72	198

b) Irregular amounts

Member State	Total number of reported irregularities			of which reported as fraudulent		
	ERDF	Cohesion Fund	TOTAL	ERDF	Cohesion Fund	TOTAL
Belgique / België	676 292	0	2 701 479	0	0	0
Bulgaria	3 359 363	8 260 212	12 856 868	324 210	5 019 507	5 971 077
Ceská Republika	541 384 462	493 745 718	1 081 893 368	35 134 610	18 100 459	54 140 177
Denmark	0	0	10 197	0	0	0
Deutschland	12 668 970	0	24 714 062	1 189 907	0	10 742 938
Eesti	27 571 452	538 529	28 367 440	333 723	506 911	888 558
Ellada	48 664 071	5 814 503	58 077 087	0	0	0
España	26 108 015	29 291	31 160 975	85 670	0	85 670
France	12 438 010	0	12 438 010	0	0	0
Italia	72 413 295	0	72 815 084	60 888 161	0	293 463
Kypros	90 724	0	152 623	90 724	0	90 724
Latvija	8 781 933	573 364	9 505 348	6 623 350	0	6 691 168
Lietuva	2 239 519	1 993 895	4 334 067	0	434 137	495 290
Luxembourg	0	0	5 687	0	0	0
Magyarország	5 295 281	1 950 042	7 584 733	538 727	0	538 727
Malta	14 367	0	52 963	0	0	0
Nederlands	2 478 927	0	2 488 799	0	0	0
Österreich	0	0	303 915	0	0	34 805
Polska	109 033 428	119 469 531	233 690 438	7 265 689	0	1 128 037
Portugal	6 986 172	1 036 568	9 638 152	30 374	91 452	243 860
Romania	33 213 172	29 513 100	67 512 491	3 659 657	0	2 360 736
Slovenija	1 540 598	212 702	1 883 141	1 241 736	0	1 241 736
Slovensko	20 701 255	28 017 806	57 568 479	0	1 165 694	1 217 712
Suomi / Finland	119 575	0	187 226	0	0	0
Sverige	532 606	0	904 246	90 150	0	90 150
United Kingdom	8 853 384	0	15 684 407	0	0	0
TOTAL	945 164 871	691 155 259	1 736 531 281	117 496 688	25 318 160	159 258 242