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Statistical evaluation of irregularities reported for 2016
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 2016

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{SWD(2017) 269 final}
{SWD(2017) 270 final}

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European Structural and Investment Funds

4. THE EUROPEAN STRUCTURAL AND INVESTMENT FUNDS (ESIF)

Over half of EU funding is channelled through the 5 European structural and investment funds (ESIF). They are jointly managed by the European Commission and the EU countries.

The purpose of all these funds is to invest in job creation and a sustainable and healthy European economy and environment.

The ESIF mainly focus on 5 areas:

– research and innovation

– digital technologies

– supporting the low-carbon economy

– sustainable management of natural resources

– small businesses.

The European structural and investment funds are:

– **European regional development fund** (ERDF) – promotes balanced development in the different regions of the EU.

– **European social fund** (ESF) - supports employment-related projects throughout Europe and invests in Europe's human capital – its workers, its young people and all those seeking a job.

– **Cohesion fund** (CF) – funds transport and environment projects in countries where the gross national income (GNI) per inhabitant is less than 90% of the EU average. In 2014-20, these are Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia.

– **European agricultural fund for rural development** (EAFRD) [1] – focuses on resolving the particular challenges facing EU's rural areas.

– European maritime and fisheries fund (EMFF) – helps fishermen to adopt sustainable fishing practices and coastal communities to diversify their economies, improving quality of life along European coasts.

Due to the rules of functioning of the EMFF and EFF, which are very similar to those of the other structural funds, irregularities reported by Member States in relation to fisheries policies are treated in this chapter jointly with the funds for cohesion and economic convergence.

All these funds are managed by the EU countries themselves, by means of partnership agreements.

Each country prepares an agreement, in collaboration with the European Commission, setting out how the funds will be used during the current funding period 2014-20.

[1] See chapter 3 of this document.

Partnership agreements lead to a series of investment programmes channelling the funding to the different regions and projects in policy areas concerned.

For 2014-2020, EUR 454 billion in ESIF funding has been allocated to promote job creation and growth. National co-financing is expected to amount to at least EUR 183 billion, with total investment reaching EUR 637 billion.

These resources will contribute to:

- Strengthening Research and Innovation
- Supporting the digital single market
- Supporting the growth of Europe's small and medium-sized enterprises (SMEs)
- Supporting the energy union and the low-carbon economy
- Investing in environmental protection and resource efficiency
- Climate change and risk prevention
- Supporting sustainable transport
- Promoting sustainable and quality employment
- Promoting social inclusion
- Investing in education and training
- Support youth employment
- Strengthening institutional capacity and efficient public administration

However, the following paragraphs will be mainly dealing with previous programming periods[2], as only a very limited part of irregularities detected and reported refer to the period 2014-2020.

4.1. Trend analysis

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

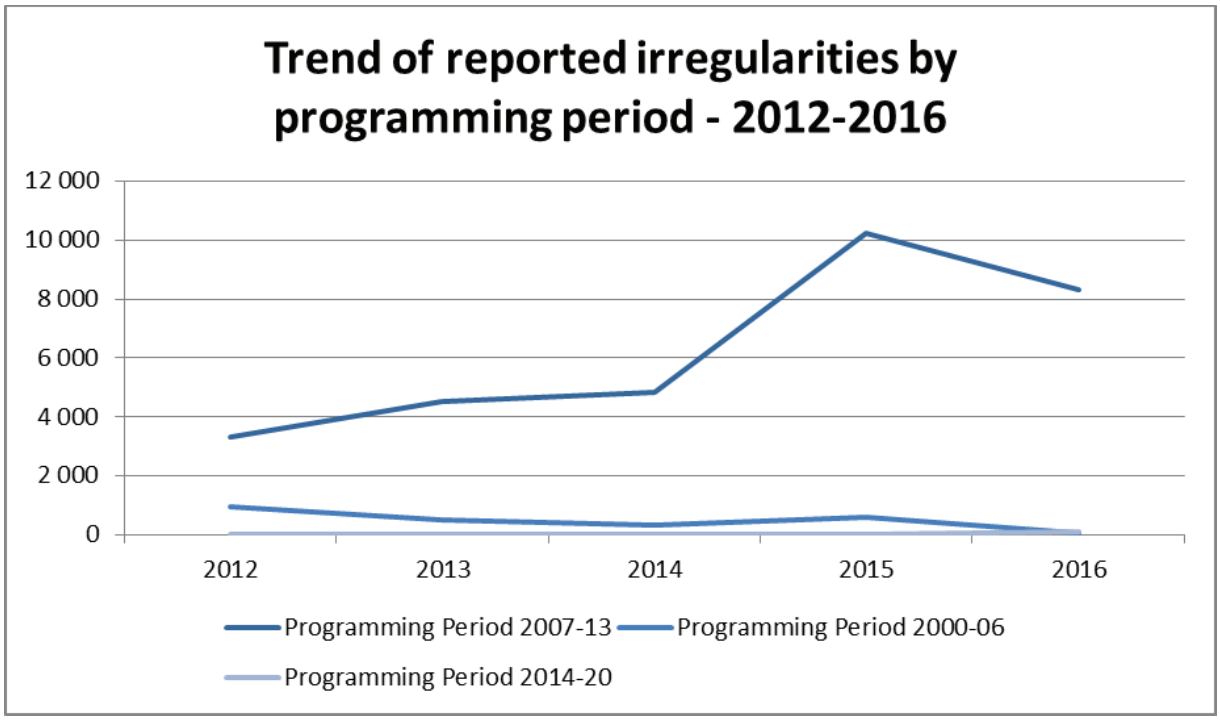
Table CP1 offers an overview of the irregularities (both fraudulent and non-fraudulent) reported from 2012 to 2016, by programming period. The table also details, for each programming period, the funds to which irregularities were related.

The chart does not suggest any major diversion from known trends and patterns in detection and reporting of irregularities, with the exception of the year 2015 (see next page).

[2] For a description of the objectives of the programming period 2007-13, see the Commission Staff Working Document '*Statistical evaluation of irregularities reported for 2014 Own Resources, Natural Resources, Cohesion Policy, Pre-accession and Direct expenditure*', chapter 5, pages 48-49.

Table CP1: Trend of the number of irregularities reported between 2012 and 2016 by programming period – Cohesion and Fisheries Policies

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2012	2013	2014	2015	2016	
	N	N	N	N	N	N
Programming Period 2014-20	**0**	**0**	**0**	**2**	**115**	**117**
Cohesion Fund					*2*	*2*
ERDF				*1*	*15*	*16*
ESF				*1*	*97*	*98*
EMFF					*1*	*1*
Programming Period 2007-13	**3 301**	**4 532**	**4 817**	**10 229**	**8 328**	**31 207**
Cohesion Fund	*242*	*238*	*281*	*469*	*453*	*1 683*
ERDF	*2 146*	*2 895*	*3 073*	*8 091*	*6 300*	*22 505*
ESF	*837*	*1 255*	*1 373*	*1 475*	*1 307*	*6 247*
EFF	*76*	*144*	*90*	*194*	*268*	*772*
Programming Period 2000-06	**930**	**518**	**330**	**595**	**53**	**2 426**
Cohesion Fund	*79*	*95*	*33*	*5*	*1*	*213*
ERDF	*678*	*334*	*196*	*567*	*45*	*1 820*
ESF	*58*	*43*	*60*	*15*	*1*	*177*
EAGGF - Guidance	*105*	*44*	*41*	*7*	*6*	*203*
FIFG	*10*	*2*		*1*		*13*
Programming Period 1994-1999	**7**	**1**	**3**	**1**	**1**	**13**
Cohesion Fund	*4*	*1*				*5*
ERDF	*2*		*1*	*1*	*1*	*5*
ESF	*1*					*1*
EAGGF - Guidance			*2*			*2*
TOTAL	**4 238**	**5 051**	**5 150**	**10 827**	**8 497**	**33 763**



There is a sudden increase from 2014 to 2015 in the number of reported irregularities, which have doubled, but then it decreases in the following year. Two elements can be pointed out in this respect:

1) The increase is mainly related to the programming period 2007-13.

   a. This increase is for the greatest part linked to the reporting of irregularities from one Member State (Spain), which covers almost half of the total number of irregularities reported in 2015.

   b. As already clarified in the PIF Report 2015, the Spanish anomalous increase is due to belated reporting of irregularities detected throughout the programming period. If they are excluded, the number of reported irregularities would still be higher than in 2014. However, this increase would follow the natural behaviour of the programming cycle of the funds.

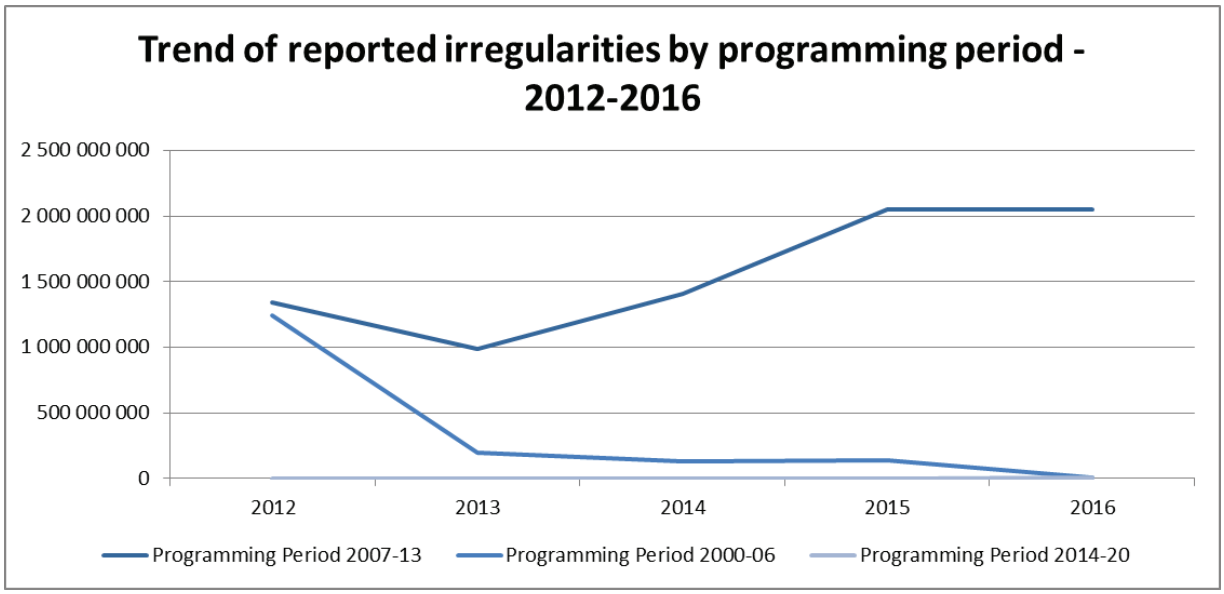
2) A minor, yet still striking increase of reporting is observed in relation to the irregularities related to the programming period 2000-06, whose numbers have also almost doubled between 2014 and 2015. In this respect, the explanation is again linked to a belated reporting by a single Member State (Ireland).

Table CP2 highlights the trends in terms of financial value of the irregularities detected and reported to the Commission over the last five years.

The only significant aspect to be highlighted in this respect is that, despite the minor decrease between 2015 and 2016 (-5%), the average financial amount per irregularity is significantly higher for the year 2016 (*i.e.* EUR 229 725 against EUR 195 496 of 2015, 17.5% more). This is mainly due to the high value of the irregularities affecting the Cohesion Fund, which finances infrastructure projects of very high value and in relation to which, sometimes, individual cases of irregularities involving very high amounts can be detected.

Table CP2: Trend of the financial amounts related to irregularities reported between 2012 and 2016 by programming period – Cohesion and Fisheries Policies

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2012	2013	2014	2015	2016	
	N	N	N	N	N	N
Programming Period 2014-20	**0**	**0**	**0**	**166 544**	**7 022 475**	**7 189 019**
Cohesion Fund					*671 052*	*671 052*
ERDF				*15 872*	*5 167 516*	*5 183 388*
ESF				*150 672*	*1 053 200*	*1 203 872*
EMFF					*130 707*	
Programming Period 2007-13	**1 342 093 026**	**983 926 279**	**1 406 672 589**	**2 047 459 280**	**2 047 386 385**	**7 827 537 559**
Cohesion Fund	*429 708 201*	*147 333 643*	*230 693 104*	*276 717 990*	*480 493 016*	*1 564 945 954*
ERDF	*794 704 518*	*716 205 334*	*1 049 686 064*	*1 611 900 112*	*1 398 886 846*	*5 571 382 874*
ESF	*110 513 176*	*98 969 297*	*117 502 466*	*132 153 248*	*139 984 510*	*599 122 697*
EFF	*7 167 131*	*21 418 005*	*8 790 955*	*26 687 930*	*28 022 013*	
Programming Period 2000-06	**1 242 238 511**	**194 039 623**	**127 811 699**	**136 178 670**	**8 745 331**	**1 709 013 834**
Cohesion Fund	*334 489 374*	*45 987 569*	*18 009 026*	*1 325 818*	*568 968*	*400 380 755*
ERDF	*889 816 481*	*130 849 635*	*96 650 017*	*84 925 687*	*4 473 713*	*1 206 715 533*
ESF	*5 456 732*	*13 736 583*	*7 870 657*	*48 400 540*	*17 414*	*75 481 926*
EAGGF - Guidance	*11 149 988*	*3 112 155*	*5 281 999*	*669 253*	*3 685 236*	*23 898 631*
FIFG	*1 325 936*	*353 681*		*857 372*		*2 536 989*
Programming Period 1994-1999	**1 577 854**	**2 095 397**	**229 661**	**474 024**	**6 430**	**4 383 366**
Cohesion Fund	*1 388 806*	*2 095 397*				*3 484 203*
ERDF	*164 626*		*12 110*	*474 024*	*6 430*	*657 190*
ESF	*24 422*					*24 422*
EAGGF - Guidance			*217 551*			*217 551*
TOTAL	**2 585 909 391**	**1 180 061 299**	**1 534 713 949**	**2 184 278 518**	**2 063 160 621**	**9 548 123 778**



4.1.1. Irregularities reported as fraudulent

4.1.1.1. Trend by programming period

Table CP3 analyses the trend linked to the communication of the irregularities reported as fraudulent in the last five years (2012-2016), making a distinction by Fund involved and the relevant programming period.

In the last five years, while the fraudulent irregularities linked to the PP2000-06 have been decreasing, those linked to the PP2007-13 follow an increasing trend, albeit inconsistent, as they have been decreasing between 2013 – 2014, and 2015 - 2016. These trends are linked to the current implementation of the latter period and the closure of the previous.

Irregularities reported as fraudulent have increased by 62% since 2012 and they have decreased by 10% in comparison with 2015. This decrease is due to the reclassification of cases initially reported as non-fraudulent in 2015[3].

[3] The PIF Report uses the data originally reported from Member States for enhanced comparability. Therefore, Table 1 in the report shows an increase in comparison to 2015. See also Table CP4 on page 49 of SWD(2016) 235 final, Part 2/2: http://ec.europa.eu/anti-fraud/sites/antifraud/files/statistical_evaluation_2015_2_en.pdf for actual data reported in 2015. The reclassified irregularities mainly concern Spain. Thus, the same remarks indicated in section 4.1 on page 46 apply.

Table CP3: trend of the number of irregularities reported as fraudulent between 2012 and 2016 by programming period – Cohesion and Fisheries Policies

FUND / PROGRAMMING PERIOD	REPORTING YEAR 2012	2013	2014	2015	2016	TOTAL PERIOD
	N	N	N	N	N	N
Programming Period 2014-20				1	3	4
Cohesion Fund						0
ERDF						0
ESF				1	3	4
EMFF						
Programming Period 2007-13	177	261	241	450	400	1 529
Cohesion Fund	9	9	7	12	11	48
ERDF	92	158	141	299	288	978
ESF	72	73	83	121	91	440
EFF	4	21	10	18	10	63
Programming Period 2000-06	72	69	43	10	4	198
Cohesion Fund		1				1
ERDF	40	28	7	2	2	79
ESF	18	27	29	7		81
EAGGF - Guidance	13	13	7	1	2	36
FIFG	1					1
TOTAL	249	330	284	461	407	1 731

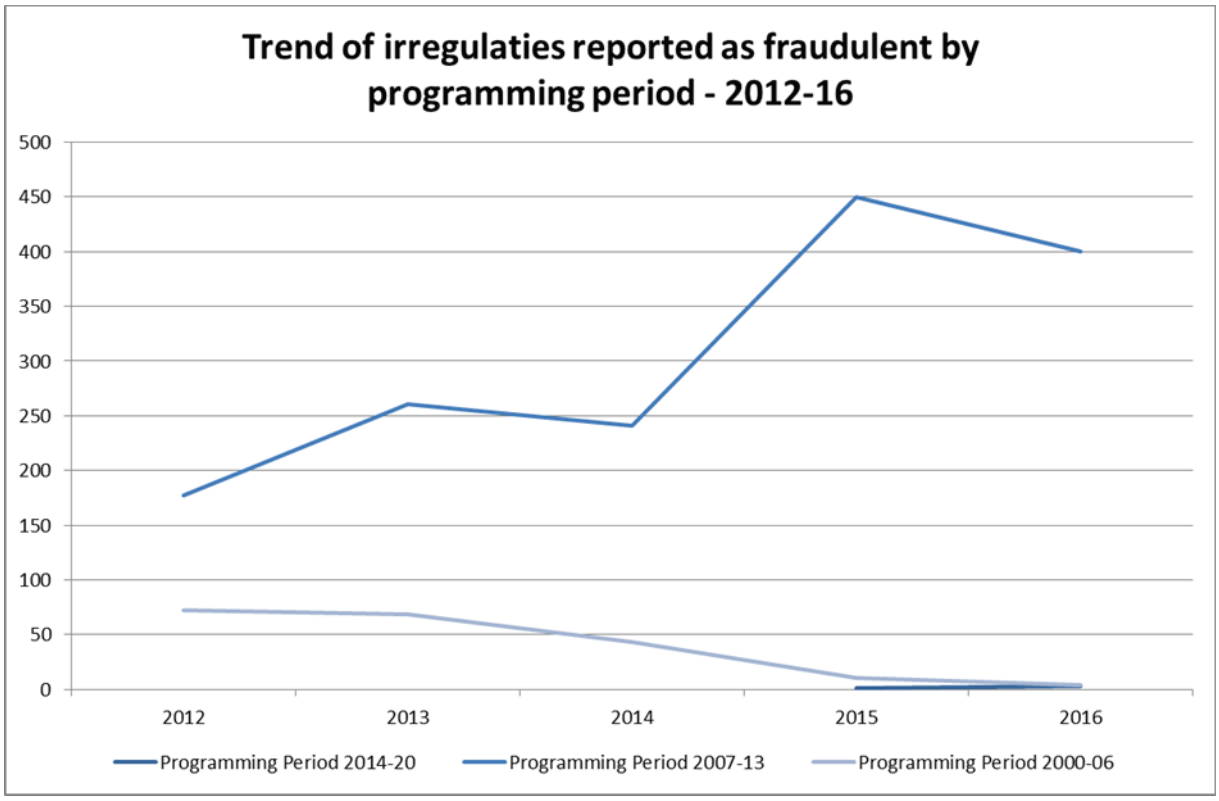


Table CP3 and its associated chart do not include irregularities reported as fraudulent related to programming periods previous to 2000-06[4].

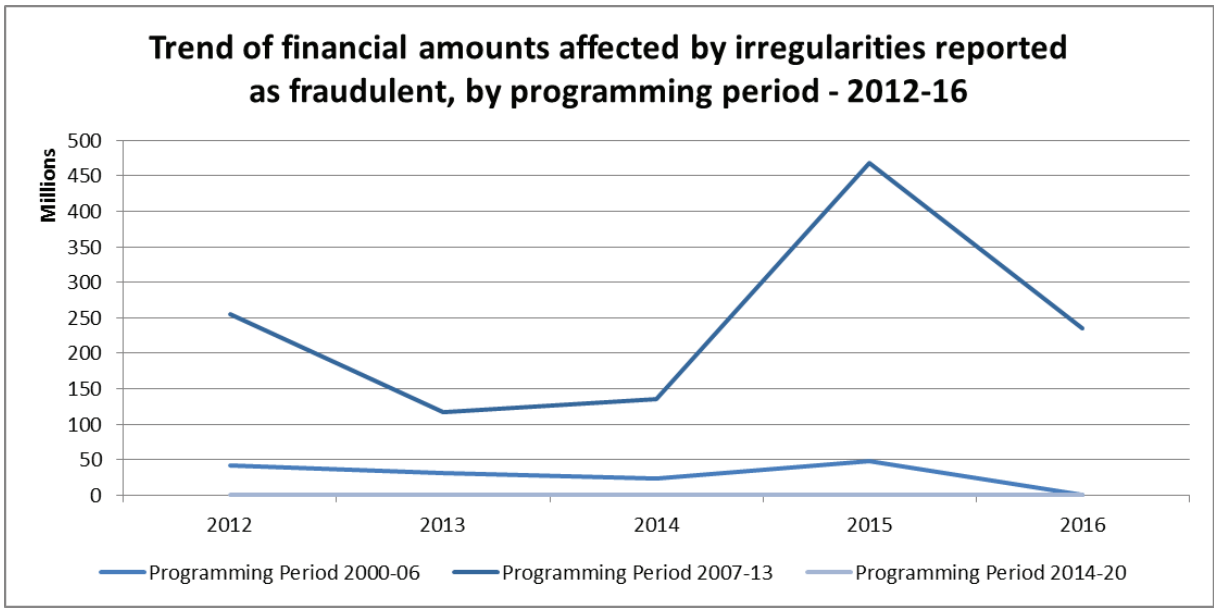
Table CP4 provides in the same form of Table CP3 information about the trends linked to the amounts involved in cases reported as fraudulent. As already indicated on several occasions, the trend of the financial amounts is far less consistent, resulting from fluctuations which can be significant as individual cases involving

[4] One case related to the European Agriculture Guidance and Guarantee Fund – Section Guidance and the programming period 1994-99 has been reported in 2014.

high amounts can distort the overall picture. Between 2012 and 2016 the financial amounts involved in irregularities reported as fraudulent have been decreasing by 20% and by 54% in comparison to 2015. However, in 2012 the financial amounts linked to irregularities reported as fraudulent were significantly high due to cases detected in relation to projects co-financed by the Cohesion Fund, which affect, in general, high financial amounts, as already mentioned.

Table CP4: Trend of financial amounts linked to the irregularities reported as fraudulent between 2012 and 2016 by programming period – Cohesion and Fisheries Policies

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2012	2013	2014	2015	2016	
	N	N	N	N	N	N
Programming Period 2014-20				**150 672**	**914 365**	**1 065 037**
Cohesion Fund						*0*
ERDF						*0*
ESF				*150 672*	*914 365*	*1 065 037*
EMFF						*0*
Programming Period 2007-13	**255 304 646**	**116 524 845**	**135 752 389**	**468 754 324**	**235 237 847**	**1 211 574 051**
Cohesion Fund	*133 678 103*	*18 674 590*	*46 142 624*	*9 717 679*	*10 941 115*	*219 154 111*
ERDF	*106 122 710*	*73 526 014*	*74 378 652*	*418 134 208*	*202 439 909*	*874 601 493*
ESF	*14 797 561*	*15 471 933*	*12 768 290*	*36 310 920*	*20 911 429*	*100 260 133*
EFF	*706 272*	*8 852 308*	*2 462 823*	*4 591 517*	*945 394*	*17 558 314*
Programming Period 2000-06	**41 007 989**	**31 313 590**	**23 579 871**	**48 102 445**	**752 576**	**144 756 471**
Cohesion Fund		*5 063 005*				*5 063 005*
ERDF	*35 142 387*	*13 191 652*	*18 409 407*	*61 297*	*224 147*	*67 028 890*
ESF	*2 829 664*	*11 011 548*	*4 714 960*	*47 822 953*		*66 379 125*
EAGGF - Guidance	*2 892 853*	*2 047 385*	*455 504*	*218 195*	*528 429*	*6 142 366*
FIFG	*143 085*					*143 085*
TOTAL	**296 312 635**	**147 838 435**	**159 332 260**	**517 007 441**	**236 904 788**	**1 357 395 559**



4.1.1.2. Trend by Fund

The analysis of the same data presented in Table CP4 but focussed on the distribution of the irregularities reported as fraudulent by Fund (Table CP5), highlights the following situations:

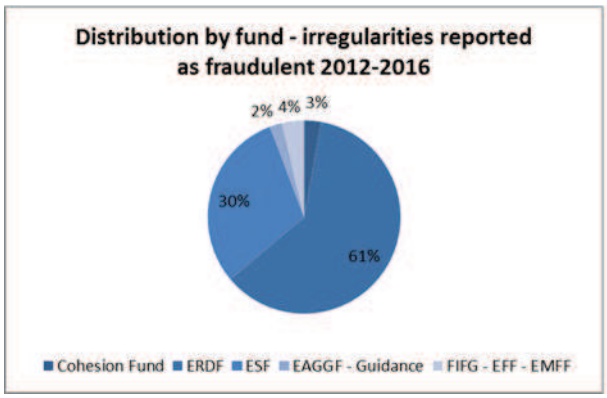
(1) The highest number of cases relates to the ERDF. The trend increases overall , despite two years when it slowed down: 2014 and 2016;

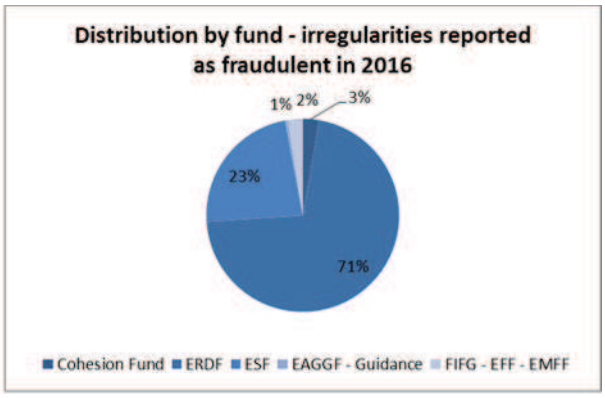
(2) Cases related to the ESF have been constantly increasing until 2015 and their share on the total is significant;

(3) Potential frauds affecting the Cohesion fund are now reported regularly (since 2010), and they are quite stable from one year to another. Fluctuations of the amounts, however, can be particularly significant in respect of these cases.

Table CP5: Trend of the number of irregularities reported as fraudulent between 2012 and 2016 by Fund – Cohesion and Fisheries Policies

FUND	REPORTING YEAR					TOTAL PERIOD
	2012	2013	2014	2015	2016	
	N	N	N	N	N	N
Cohesion Fund	*9*	*10*	*7*	*12*	*11*	*49*
ERDF	*132*	*186*	*148*	*301*	*290*	*1 057*
ESF	*90*	*100*	*112*	*129*	*94*	*525*
EAGGF - Guidance	*13*	*13*	*7*	*1*	*2*	*36*
FIFG - EFF - EMFF	*5*	*21*	*10*	*18*	*10*	*64*
TOTAL	**249**	**330**	**284**	**461**	**407**	**1 731**





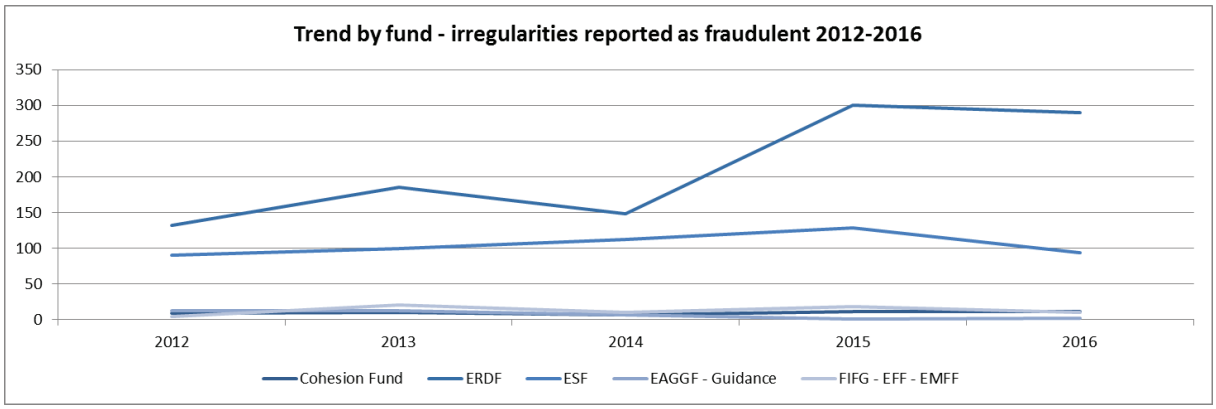


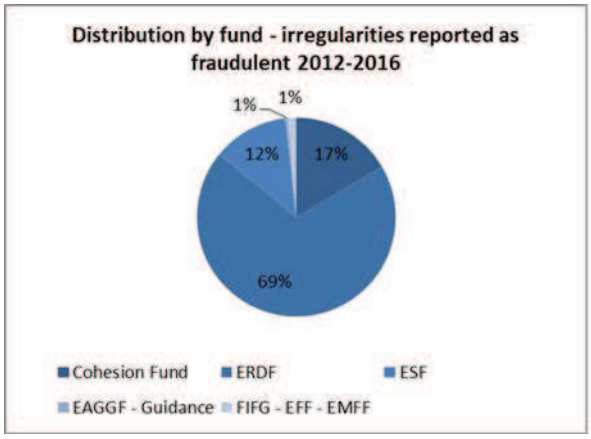
Table CP6 analyses the trends related to the financial amounts linked to the irregularities reported as fraudulent in the reference period.

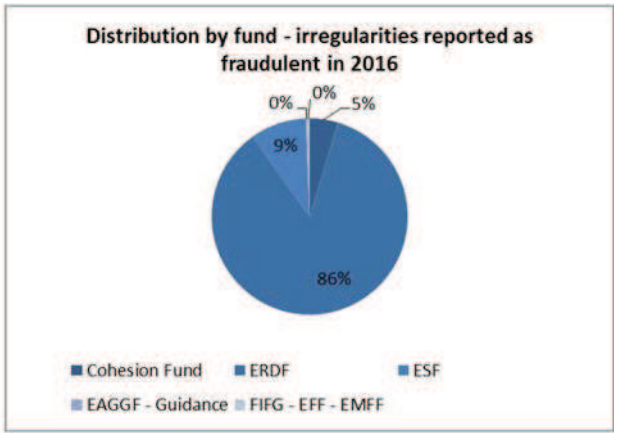
The year 2015 appears as a special year, considering the high financial volume of irregularities linked to the most represented funds: ERDF and ESF. Considering that the number of the irregularities reported as fraudulent is only slightly lower in 2016

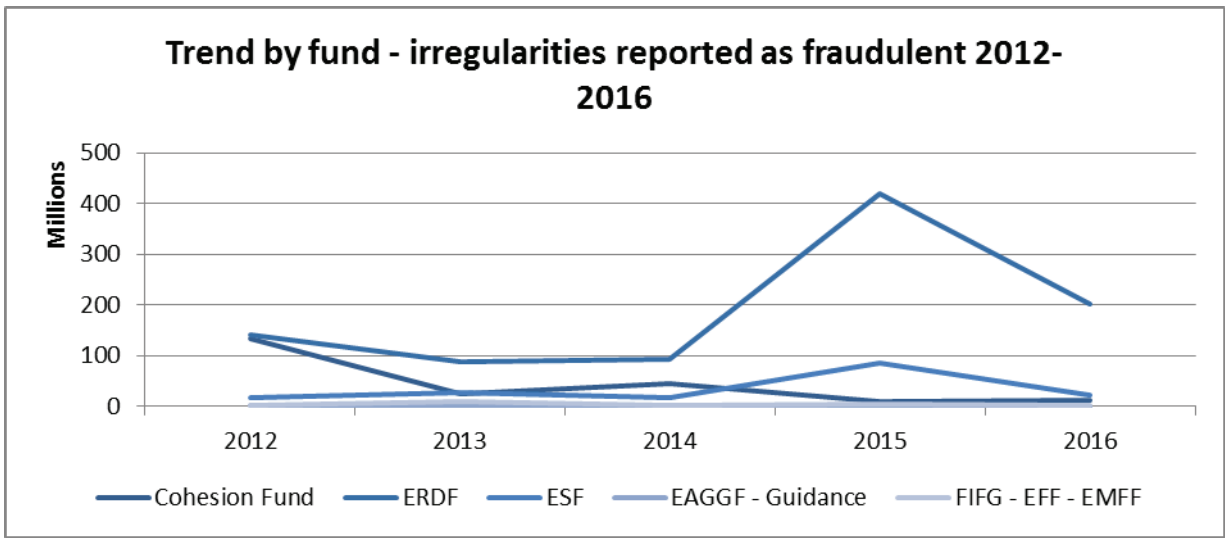
than in 2015, the average financial value of the detected fraudulent irregularities is indeed significantly higher in 2015[5].

Table CP6: Trend of financial amounts linked to the irregularities reported as fraudulent between 2012 and 2016 by fund – Cohesion and Fisheries Policies

FUND	REPORTING YEAR					TOTAL PERIOD
	2012	2013	2014	2015	2016	
	EUR	EUR	EUR	EUR	EUR	EUR
Cohesion Fund	*133 678 103*	*23 737 594*	*46 142 624*	*9 717 679*	*10 941 115*	*224 217 115*
ERDF	*141 265 097*	*86 717 665*	*92 788 058*	*418 195 504*	*202 664 055*	*941 630 379*
ESF	*17 627 225*	*26 483 481*	*17 483 250*	*84 284 545*	*21 825 794*	*167 704 295*
EAGGF - Guidance	*2 892 853*	*2 047 385*	*455 504*	*218 195*	*528 429*	*6 142 366*
FIFG - EFF - EMFF	*849 357*	*8 852 308*	*2 462 823*	*4 591 517*	*945 394*	*17 701 399*
TOTAL	**296 312 635**	**147 838 433**	**159 332 259**	**517 007 440**	**236 904 787**	**1 357 395 554**







4.1.2. Irregularities not reported as fraudulent

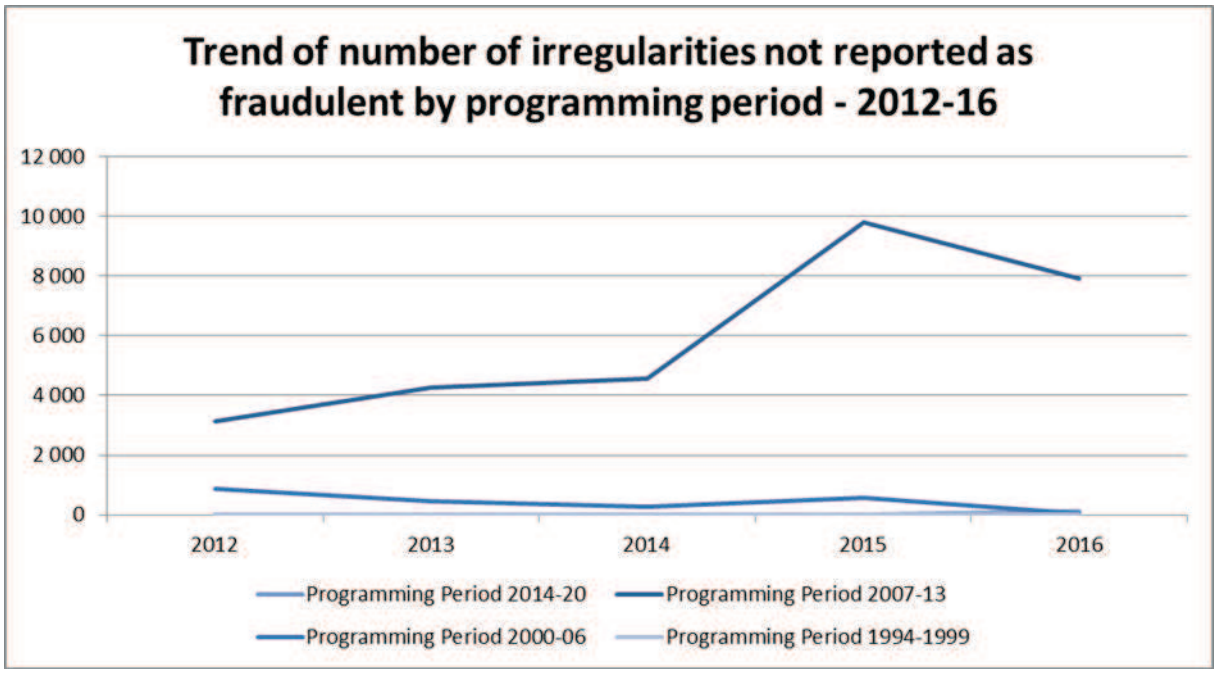
Table CP7 analyses the trend linked to the communication of the irregularities not reported as fraudulent in the last five years (2012-2016), making a distinction by Fund involved and the relevant programming period.

The reasons behind the increases related to both periods 2000-06 and 2007-13 between 2014 and 2015 have already been explained under paragraph 4.1.

[5] For more details see footnote 3.

Table CP7: Trend of the number of irregularities not reported as fraudulent between 2012 and 2016 by programming period – Cohesion and Fisheries Policies

FUND / PROGRAMMING PERIOD	REPORTING YEAR 2012	2013	2014	2015	2016	TOTAL PERIOD
	N	N	N	N	N	N
Programming Period 2014-20	**0**	**0**	**0**	**1**	**112**	**113**
Cohesion Fund					*2*	*2*
ERDF				*1*	*15*	*16*
ESF					*94*	*94*
EMFF					*1*	*1*
Programming Period 2007-13	**3 124**	**4 271**	**4 576**	**9 779**	**7 928**	**29 678**
Cohesion Fund	*233*	*229*	*274*	*457*	*442*	*1 635*
ERDF	*2 054*	*2 737*	*2 932*	*7 792*	*6 012*	*21 527*
ESF	*765*	*1 182*	*1 290*	*1 354*	*1 216*	*5 807*
EFF	*72*	*123*	*80*	*176*	*258*	*709*
Programming Period 2000-06	**858**	**449**	**287**	**585**	**49**	**2 228**
Cohesion Fund	*79*	*94*	*33*	*5*	*1*	*212*
ERDF	*638*	*306*	*189*	*565*	*43*	*1 741*
ESF	*40*	*16*	*31*	*8*	*1*	*96*
EAGGF - Guidance	*92*	*31*	*34*	*6*	*4*	*167*
FIFG	*9*	*2*		*1*		*12*
Programming Period 1994-1999	**7**	**1**	**2**	**1**	**1**	**12**
Cohesion Fund	*4*	*1*				*5*
ERDF	*2*		*1*	*1*	*1*	*5*
ESF	*1*					*1*
EAGGF - Guidance			*1*			*1*
TOTAL	**3 989**	**4 721**	**4 865**	**10 366**	**8 090**	**32 031**



The sum between the totals of Tables CP7 and CP5 differ by one unit in comparison with the total showed in Table CP1[6].

Table CP8 shows the trend related to the financial amounts linked to the irregularities not reported as fraudulent. Once more, as already mentioned several times in relation

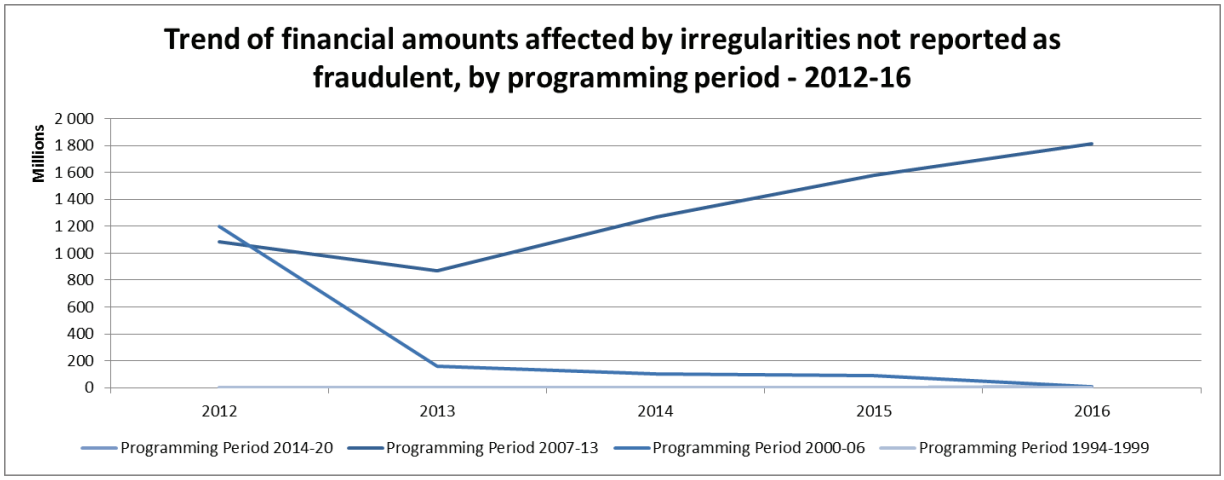
[6] The reason for this difference is explained by the fact that the Total in Table CP5 does not include one case reported for the programming period 1994-1999 as explained in footnote 4.

to the trends of the financial amounts, fluctuations can happen more often, as they are linked to individual irregularities or groups of irregularities of significant value, which produce distortive effects from one year to the next.

In 2016, for instance, financial amounts linked to irregularities not reported as fraudulent is higher than in 2015, despite the significant decrease in the number of notified cases. For the Cohesion Fund, programming period 2007-13, the related financial amounts have almost doubled in comparison with the previous years. They have significantly increased also for the ESF, while, in relation to the ERDF, they have remained stable despite the decrease of reported irregularities. Considering the fact that irregularities reported as fraudulent usually imply higher financial amounts, one may wonder whether some of the cases notified as non-fraudulent will be reclassified later as potentially fraudulent.

Table CP8: Trend of financial amounts linked to the irregularities not reported as fraudulent between 2012 and 2016 by programming period[7] – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR 2012	2013	2014	2015	2016	TOTAL PERIOD
	N	N	N	N	N	N
Programming Period 2014-20	**0**	**0**	**0**	**15 872**	**6 108 111**	**6 123 983**
Cohesion Fund					*671 052*	*671 052*
ERDF				*15 872*	*5 167 516*	*5 183 388*
ESF					*138 836*	*138 836*
EMFF					*130 707*	*130 707*
Programming Period 2007-13	**1 086 788 379**	**867 401 435**	**1 270 920 202**	**1 578 704 957**	**1 812 148 538**	**6 615 963 511**
Cohesion Fund	*296 030 097*	*128 659 053*	*184 550 480*	*267 000 310*	*469 551 901*	*1 345 791 841*
ERDF	*688 581 808*	*642 679 321*	*975 307 413*	*1 193 765 905*	*1 196 446 937*	*4 696 781 384*
ESF	*95 715 615*	*83 497 364*	*104 734 177*	*95 842 329*	*119 073 082*	*498 862 567*
EFF	*6 460 859*	*12 565 697*	*6 328 132*	*22 096 413*	*27 076 618*	*74 527 719*
Programming Period 2000-06	**1 201 230 522**	**162 726 032**	**104 231 829**	**88 076 225**	**7 992 756**	**1 564 257 364**
Cohesion Fund	*334 489 374*	*40 924 564*	*18 009 026*	*1 325 818*	*568 968*	*395 317 750*
ERDF	*854 674 094*	*117 657 983*	*78 240 611*	*84 864 391*	*4 249 567*	*1 139 686 646*
ESF	*2 627 068*	*2 725 034*	*3 155 697*	*577 587*	*17 414*	*9 102 800*
EAGGF - Guidance	*8 257 135*	*1 064 770*	*4 826 495*	*451 057*	*3 156 807*	*17 756 264*
FIFG	*1 182 851*	*353 681*		*857 372*		*2 393 904*
Programming Period 1994-1999	**1 577 854**	**2 095 397**	**83 806**	**474 024**	**6 430**	**4 237 511**
Cohesion Fund	*1 388 806*	*2 095 397*				*3 484 203*
ERDF	*164 626*		*12 110*	*474 024*	*6 430*	*657 190*
ESF	*24 422*					*24 422*
EAGGF - Guidance			*71 696*			*71 696*
TOTAL	**2 289 596 755**	**1 032 222 864**	**1 375 235 837**	**1 667 271 078**	**1 826 255 835**	**8 190 582 369**



7 See footnote 6.

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

This section of the analysis focuses on the irregularities reported in relation to the programming period 2007-13 exclusively. The closure for the programming period started in March 2017[8]; it therefore offers an ideal opportunity to present a complete overview of what has happened. Consequently, the analysis will cover a greater time span than the previous paragraph (2012 to 2016), to examine all information available, which dates back to 2008.

It will cover the following aspects:

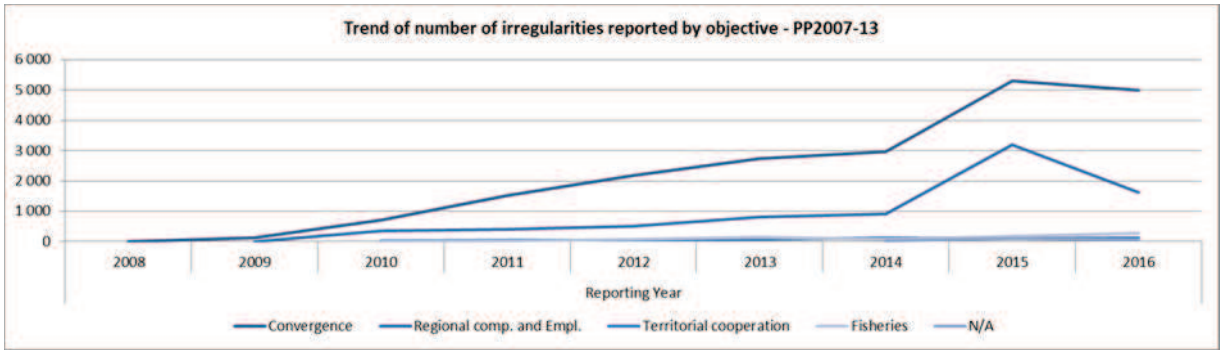
- Objective;
- Priorities and themes affected;
- Types of irregularity

4.2.1. Objectives concerned by the reported irregularities

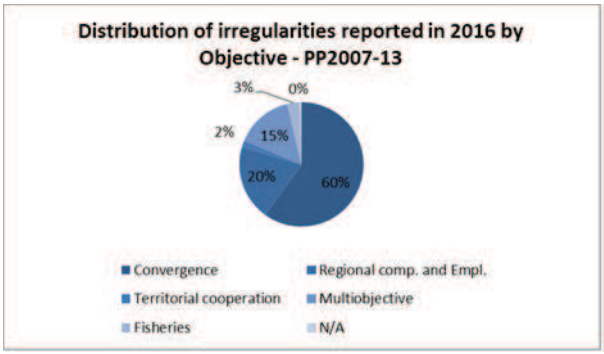
The trend by objective of the reported irregularities follows a foreseeable pattern as showed in Table CP9. The majority of the irregularities were notified over the last three years of the reference period and mainly concern the Convergence objective (70% of the total), in line with the fact that this is the objective to which the greatest financial resources are allocated and in relation to which higher risks are associated. The anomaly concerning the year 2015 has already been explained.

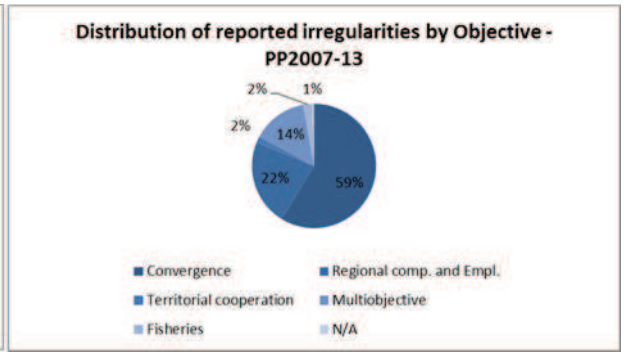
Table CP9: Trend of the number of irregularities reported in relation to the programming period 2007-13 by objective – Cohesion Policy

Objective	Reporting Year									TOTAL
	2008	2009	2010	2011	2012	2013	2014	2015	2016	
	N	N	N	N	N	N	N	N	N	N
Convergence	8	128	721	1 511	2 170	2 729	2 958	5 298	4 996	20 519
Regional comp. and Empl.		9	352	416	498	799	907	3 193	1 635	7 809
Territorial cooperation			14	39	46	79	119	100	135	532
Multiobjective	1	30	157	235	511	781	725	1 344	1 253	5 037
Fisheries			6	30	76	144	83	182	267	788
N/A				1			25	112	42	180
TOTAL	9	167	1 250	2 232	3 301	4 532	4 817	10 229	8 328	34 865



[8] The deadline for the presentation of the documents for closure was 31 March 2017. The closure process will go on for some time.





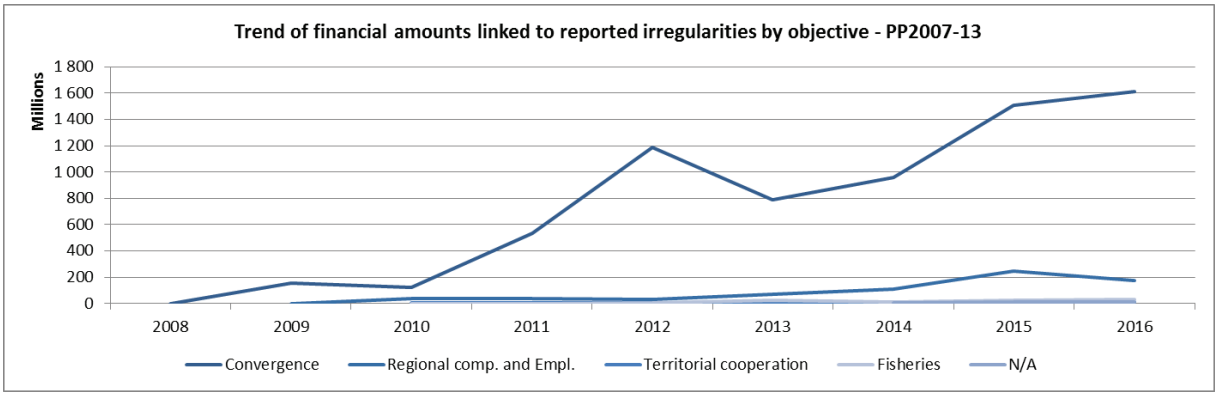
180 irregularities do not correctly indicate the objective.

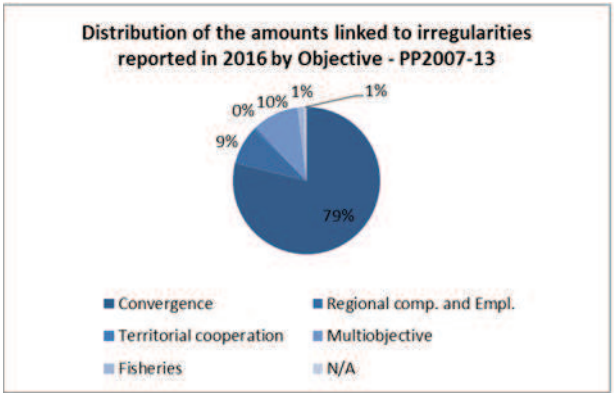
Table CP10 analyses the trend followed by the financial amounts linked to the reported irregularities, which broadly follows the same line as that showed in Table CP9, with the exception of the amounts linked to the Convergence objective reported in 2012, which exceed those related to the following two years, and those related to 2016, which are higher than those reported in 2015.

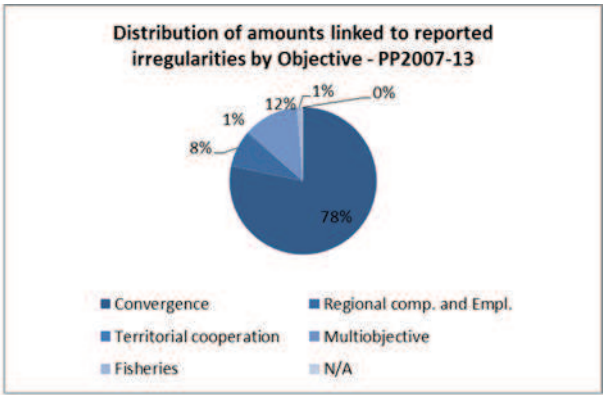
In 2016, irregular amounts reported in relation to the Cohesion Fund are significantly high, as already showed in Table CP8 and highlighted in section 4.1.

Table CP10: Trend of the financial amounts linked to irregularities reported in relation to the programming period 2007-13 by objective – Cohesion and Fisheries Policies

Objective	Reporting Year									TOTAL
	2008	2009	2010	2011	2012	2013	2014	2015	2016	
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Convergence	101 394	153 440 727	118 761 624	532 264 942	1 187 817 179	790 330 312	957 341 764	1 505 271 609	1 614 923 637	6 860 253 188
Regional comp. and Empl.		556 264	35 054 147	38 874 474	31 043 896	67 910 816	105 867 961	247 361 649	175 966 615	702 635 822
Territorial cooperation			1 142 832	1 930 949	2 487 433	5 155 265	5 250 520	5 311 978	10 148 874	31 427 851
Multiobjective	193 333	2 371 472	11 206 577	39 503 845	113 577 387	99 111 883	328 463 790	255 069 076	206 984 772	1 056 482 135
Fisheries			233 816	577 343	7 167 131	21 418 005	8 487 058	26 308 312	28 021 643	92 213 308
N/A				32 544			1 261 498	8 136 656	11 340 844	20 771 542
TOTAL	294 727	156 368 463	166 398 996	613 184 097	1 342 093 026	983 926 281	1 406 672 591	2 047 459 280	2 047 386 385	8 763 783 846







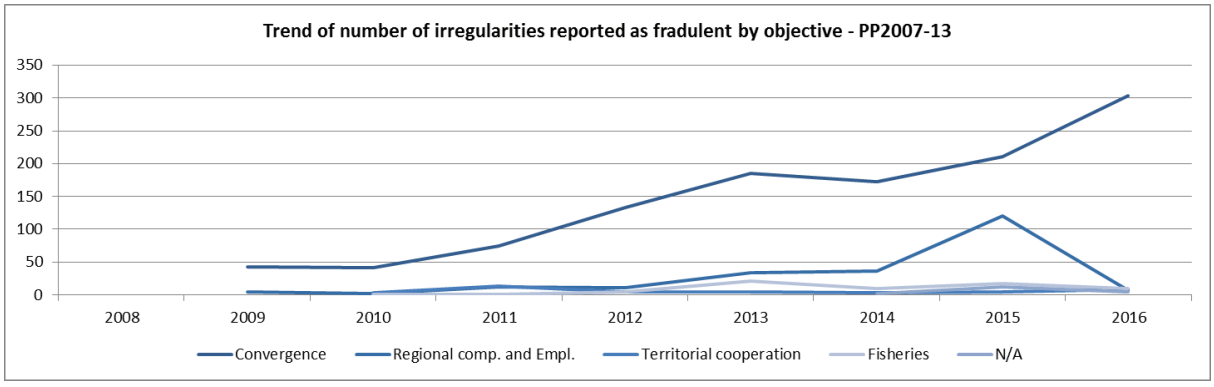
4.2.1.1. *Irregularities reported as fraudulent by Objective*

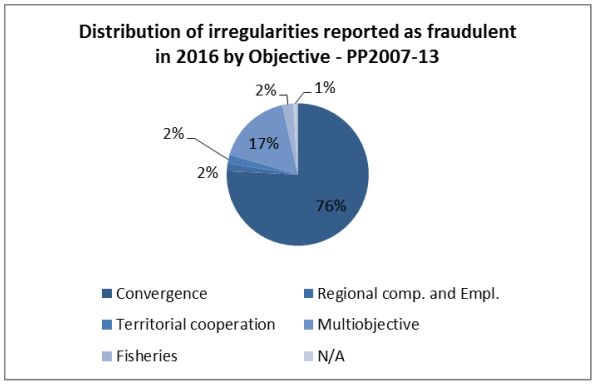
Table CP11 and CP12 show the trends presented in the previous paragraph taking into consideration only the irregularities reported as fraudulent during the programming period 2007-13. The trends are similar, although in relation to the financial amounts reported it is more evident the distorting impact that high profile cases can have.

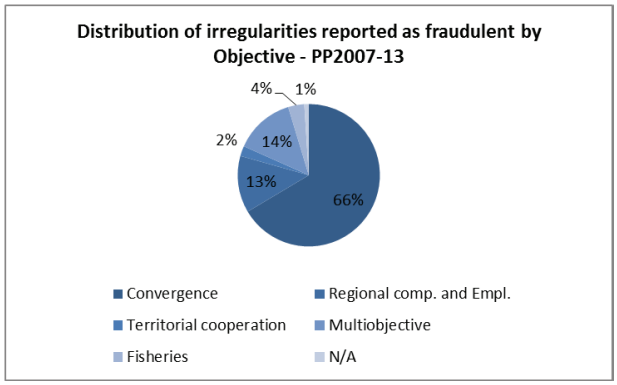
The higher share represented by the Convergence objective in comparison with that presented in the previous paragraph is also significant.

Table CP11: Trend of the number of irregularities reported as fraudulent in relation to the programming period 2007-13 by objective – Cohesion and Fisheries Policies

Objective	Reporting Year									TOTAL
	2008	2009	2010	2011	2012	2013	2014	2015	2016	
	N	N	N	N	N	N	N	N	N	N
Convergence		43	42	75	133	185	172	210	303	1 163
Regional comp. and Empl.		4	2	12	11	34	36	120	7	226
Territorial cooperation			3	13	4	4	3	5	8	40
Multiobjective			7	18	25	17	18	86	68	239
Fisheries			1	1	4	21	10	17	10	64
N/A							2	12	4	18
TOTAL	0	47	55	119	177	261	241	450	400	1 750



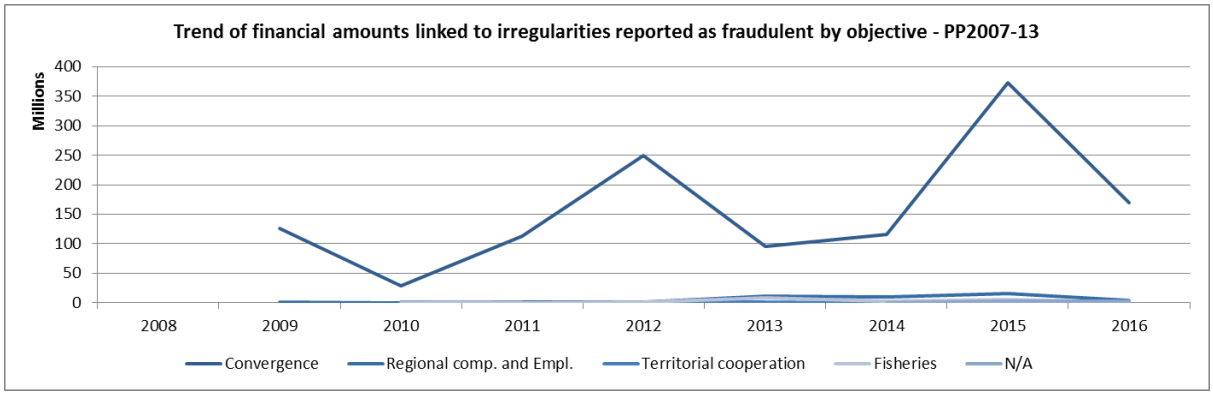


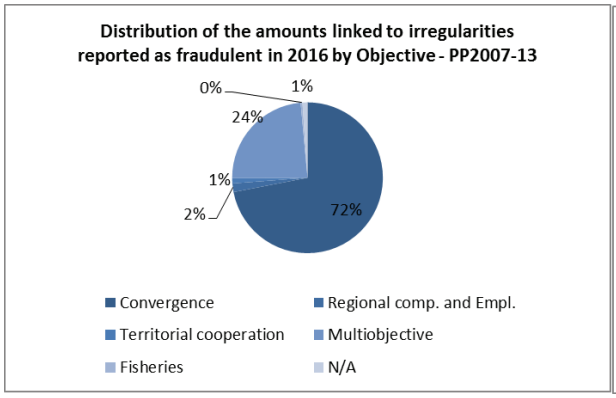


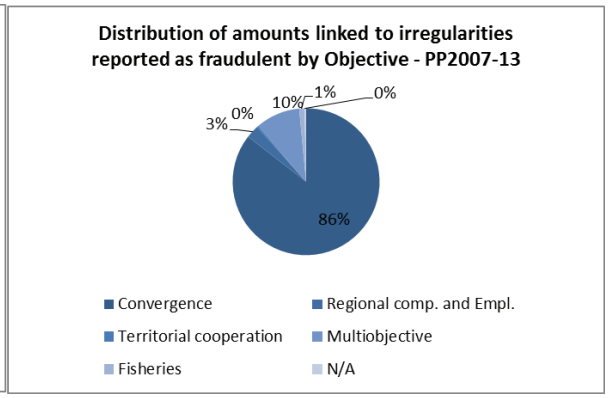
Irregularities reported as fraudulent represent about 5% of the total number of irregularities reported for the programming period 2007-13. The highest share (Fraud Frequency Level – FFL) is related to the Fisheries (8.1%), the European Territorial Cooperation (7.5%) and to the Convergence (5.7%) objectives. Regional competitiveness and Employment has the lowest FFL (2.9%).

Table CP12: Trend of the financial amounts linked to the irregularities reported as fraudulent in relation to the programming period 2007-13 by objective – Cohesion and Fisheries Policies

Objective	Reporting Year									TOTAL
	2008	2009	2010	2011	2012	2013	2014	2015	2016	
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Convergence		126 411 965	27 930 979	113 479 367	249 101 647	94 736 957	115 366 308	373 598 157	169 268 106	1 269 893 486
Regional comp. and Empl.		470 306	161 114	714 482	1 353 761	10 381 439	10 355 750	14 935 333	4 321 659	42 693 844
Territorial cooperation			490 534	166 072	1 204 484	299 272	120 064	702 926	2 606 946	5 590 298
Multiobjective			3 103 580	736 449	2 938 482	2 254 869	7 344 586	72 646 633	55 593 475	144 618 074
Fisheries			193 916	22 580	706 272	8 852 308	2 462 823	4 571 604	945 394	17 754 897
N/A							102 857	2 299 670	2 502 267	4 904 794
TOTAL	0	126 882 271	31 880 123	115 118 950	255 304 646	116 524 845	135 752 388	468 754 323	235 237 847	1 485 455 393







Financial amounts linked to irregularities reported as fraudulent represent about 17% of the total reported for the programming period 2007-13. The highest share (Fraud Amount Level – FAL) is related to the Fisheries (19.3%), the Convergence (18.5%) and the European Territorial Cooperation (17.8%) objectives. Regional competitiveness and Employment has the lowest FFL (6.1%).

The difference between FFL and FAL, almost three times higher, indicates the higher financial impact of fraudulent irregularities compared to the non-fraudulent infringements. As a matter of fact, the average financial value linked to the irregularities reported as fraudulent is almost four times higher than that related to the non-fraudulent types.

Case study: Criminal investigation in Latvia about possible misuse of structural funds

Criminal case No. XX was started in 2014 by ECED, classified under Article 177 clause 3 of the Criminal Law (for fraud, if committed on a large scale, or in an organised group), by examining the submission of the Latvian Rural Support Service (RSS) regarding possible fraudulent activities of the Latvian company (Ltd.) responsible officials during project implementation, in order to embezzle EU structural funds on a large scale.

In 2016 the criminal proceedings were transferred to the Riga District Court Prosecutor's Office for criminal prosecution according to the Article 15 clause 4 (for an attempted crime), Article 177 clause 3 and Article 275

clause 2 (falsification of documents for the purpose of acquiring property by an organized group) of the Criminal Law against two suspect. Loss was prevented (EUR 140 000 was to be paid in funding).

Conditions of the case:

In 2012 Ltd. X officials submitted a project for the purchase of metal processing equipment to the RSS to receive financial support amounting to EUR 140 000. When evaluating the submitted project documentation RSS employees doubted that the documents submitted were genuine.

RSS sent the obtained documentation for further inspection to ECED.

Police investigation showed and proved that Ltd. X officials had provided false information about the company's financial condition – forged bank documentation was submitted for the project (including from a bank which is located in Russia) on the company's financial resources in order to acquire necessary equipment and receive co-financing from EU structural funds.

4.2.1.2. Fraud and Irregularity Detection Rates by Objective

Table CP13 shows the FDR and the IDR per objective. Further details about this calculation can be found in paragraph 4.4.2.

Looking at the overall detection rate (FDR + IDR), Regional competitiveness and employment programmes show a low level of detections. European Territorial Cooperation programmes, however, show an anomalously low level of detections (four times lower than the previous objective), especially if one considers that the previous two indicators (FFL and FAL) were high. The situation is different for Convergence, Multiobjective and Fisheries programmes. Interestingly, the "Total detection rate" is almost equal to that of rural development and market measures in the agricultural policy. (see chapter 3.3.2).

Table CP13: FDR and IDR by Objective

Objective	Irregularities detected and reported programming period 2007-13 / payments		
	FDR	IDR	Total
Convergence	0.5%	2.3%	2.8%
Regional comp. and Empl.	0.1%	1.5%	1.6%
Territorial cooperation	0.1%	0.3%	0.4%
Multiobjective	0.3%	2.0%	2.4%
Fisheries	0.5%	2.1%	2.5%
Total	**0.4%**	**2.1%**	**2.5%**

4.2.2. Priorities concerned by the reported irregularities

4.2.2.1. Irregularities reported as fraudulent (fisheries not included)

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 CP14 shows the number of reported fraudulent irregularities by priority area since the beginning of the programming period 2007-13, their related financial amounts, the average amount per irregularity, FFL and FAL.

In terms of numbers, the 'Priorities' most concerned were 'Research and Technological Development (RTD)', 'Improving access to employment and sustainability' and 'Increasing the adaptability of workers and firms, enterprises and entrepreneurs'.

Fraudulent irregularities linked to these three priorities represent about 37% of the total.

FFL is highest for 'Strengthening institutional capacity' and 'Tourism' (10%), while the top three priorities in the table are all between 9.1 and 9.7%.

From the financial amounts point of view, the most significant results concern 'R&TD', 'Transport' and 'Investment in Social Infrastructure'. 'Transport' retains also the highest average value, almost eight times higher than that related to R&TD and 22 times higher than the overall average.

Financial amounts linked to the irregularities reported as fraudulent in relation to these three priorities represent 58% of the total.

FAL is highest[9] for 'Investment in social infrastructure' (41.3%), 'Tourism' (25%) and 'R&TD' (21.6%).

The FDR is highest for the same priorities and in exactly the same order: 'Investment in social infrastructure' (0.84%), 'Tourism' (0.74%) and 'R&TD' (0.55%)

Table CP14: PP2007-13 - Irregularities reported as fraudulent by Priority

Programming Period 2007-13	Irregularities reported as fraudulent					
Priority	Total	Amounts involved	Average amount	FFL	FAL	FDR
	N	EUR	EUR	%	%	%
Research and technological development (R&TD), innovation and entrepreneurship	367	372 762 188	1 015 701	9.4%	21.6%	0.55%
Improving access to employment and sustainability	131	13 277 167	101 352	9.7%	9.3%	0.05%
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	121	25 602 753	211 593	9.1%	21.3%	0.21%
Investment in social infrastructure	99	161 301 098	1 629 304	6.7%	41.3%	0.84%
Tourism	85	42 449 162	499 402	10.0%	25.0%	0.74%
Improving human capital	81	12 639 946	156 049	6.1%	13.5%	0.05%
Environmental protection and risk prevention	58	60 508 817	1 043 255	2.9%	12.0%	0.13%
Urban and rural regeneration	49	26 290 955	536 550	5.0%	18.2%	0.26%
Improving the social inclusion of less-favoured persons	41	4 598 492	112 158	7.9%	15.8%	0.05%
Transport	39	316 935 686	8 126 556	2.5%	17.7%	0.41%
Strengthening institutional capacity at national, regional and local level	31	3 223 264	103 976	10.3%	11.1%	0.15%
Information society	26	25 747 292	990 280	2.6%	9.5%	0.18%
Energy	24	13 368 779	557 032	5.9%	13.2%	0.11%
Technical assistance Fishery	9	9 685 440	1 076 160	6.1%	29.3%	#N/A
Culture	4	2 009 067	502 267	1.5%	4.8%	0.03%
Technical assistance	4	1 497 263	374 316	1.4%	3.4%	0.02%
Measures of common interest - fishery	3	135 603	45 201	7.3%	0.2%	#N/A
(blank)	513	375 647 614	732 257	3.2%	12.6%	#N/A
TOTAL	1 685	1 467 680 586	871 027	4.9%	16.9%	0.42%
% of (blank) on Total	30.4%	25.6%	Below avg.			

[9] As a matter of fact, 'Technical Assistance – fishery' would be second with 29.3%. As these priority seems linked to another fund (EFF) than those taken into consideration here, it may result from errors in reporting.

Irregularities linked to the EFF have not been included. Reference to 'Technical assistance Fisheries' and 'Measures of common interest – fisheries' in the Table may depend on errors in encoding by Member States.

Less than one third of the irregularities used for this analysis did not provide information about the priority area concerned, decreasing in comparison with previous years.

4.2.2.2. Irregularities not reported as fraudulent (fisheries not included)

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

Table CP15 shows the number of reported fraudulent irregularities by priority area since the beginning of the programming period 2007-13, their related financial amounts and average amount per irregularity.

Again, 'Research and Technological Development (R&TD)' is the priority with the highest number of occurrences, followed by 'Environmental protection and risk prevention' and 'Transport'. In terms of financial amounts involved, 'Transport' comes first, followed by the other two priorities.

Therefore, irregularities linked to these three priorities together represent 21.6% of the total number and 45.4% of the total amounts.

Table CP15: PP2007-13 - Irregularities not reported as fraudulent by Priority

Programming Period 2007-13	Irregularities not reported as fraudulent			
Priority	Total	Amounts involved	Average amount	IDR
	N	EUR	EUR	%
Research and technological development (R&TD), innovation and entrepreneurship	3 557	1 352 376 961	380 202	2.00%
Environmental protection and risk prevention	1 918	443 729 987	231 350	0.93%
Transport	1 538	1 474 022 119	958 402	1.93%
Investment in social infrastructure	1 388	229 241 504	165 160	1.20%
Improving human capital	1 245	80 836 587	64 929	0.31%
Improving access to employment and sustainability	1 219	128 865 570	105 714	0.51%
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	1 208	94 678 858	78 377	0.79%
Information society	993	245 778 277	247 511	1.75%
Urban and rural regeneration	935	118 132 372	126 345	1.18%
Tourism	764	127 299 077	166 622	2.23%
Improving the social inclusion of less-favoured persons	477	24 550 691	51 469	0.24%
Energy	380	87 654 809	230 671	0.74%
Technical assistance	278	42 743 856	153 755	0.44%
Strengthening institutional capacity at national, regional and local level	271	25 880 656	95 501	1.17%
Culture	264	40 264 075	152 515	0.65%
Technical assistance Fishery	138	23 362 310	169 292	#N/A
Mobilisation for reforms in the fields of employment and inclusion	51	2 874 285	56 359	0.28%
Measures of common interest - fishery	38	61 207 014	1 610 711	#N/A
Reduction of additional costs hindering the outermost regions development	17	2 308 138	135 773	0.34%
Sustainable development of fishery areas	3	140 166	46 722	#N/A
Aquaculture, inland fishing, processing and marketing of fishery and aquaculture products	2	166 696	83 348	#N/A
Measures for the adaptation of the Community fishing fleet	1	11 047	11 047	#N/A
(blank)	15 687	2 597 081 012	165 556	#N/A
TOTAL	**32 372**	**7 203 206 067**	**222 513**	**2.08%**
% of (blank) on Total	**48.5%**	**36.1%**	**below avg.**	

Irregularities linked to the EFF have not been included. Reference to priorities specific referred to this policy area, therefore, may depend on errors in encoding by national authorities.

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

4.2.2.3. *Irregularities related to the priority 'R&TD'*

As showed in the previous two sub-paragraphs of this section, 'R&TD' is the priority for which the highest number of irregularities, fraudulent and non-fraudulent, have been detected and reported: in total, 3 995 cases, involving over EUR 1.7 billion.

Figure CP1 below, details the specific priority themes which were affected by these irregularities. Please note that the larger the square, the higher the number of irregularities; the darker the colour, the higher the financial amounts involved.

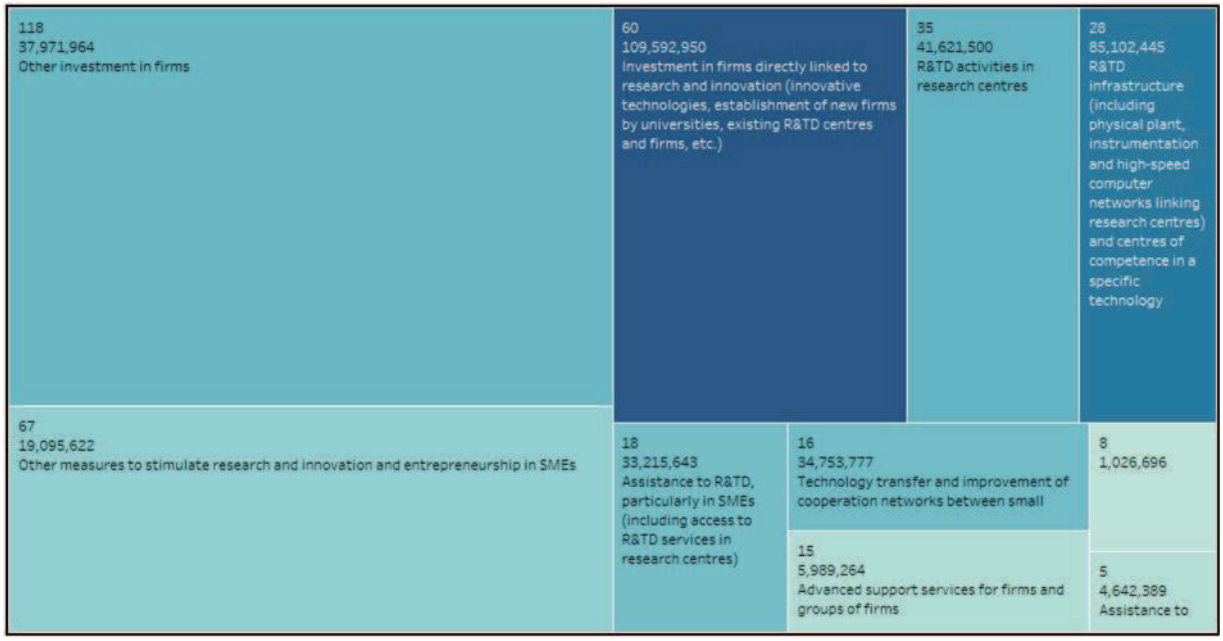
Two "residual" themes are those showing the highest number of reported irregularities: 'Other investment in firms' and 'Other measures to stimulate research and innovation and entrepreneurship in SMEs'. Together they represent 46% of the reported irregularities, but only 21% of the related financial amounts. Conversely, the themes 'Investment in firms directly linked to research and innovation (innovative technologies, establishment of new firms by universities, existing R&TD centres and firms, etc.)' and 'R&TD activities in research centres' represent only 23.5% of the total number of reported irregularities, but account for almost 51% of the total financial amounts involved.

Figure CP1: PP2007-13 - Irregularities (fraudulent and non-fraudulent) reported in relation to the 'R&TD' Priority by theme

Figure CP2 shows the same level of detail for the irregularities reported as fraudulent.

Similarly to the overall picture, the two "residual" themes present the highest number of occurrences. However, again, the theme 'Investment in firms directly linked to research and innovation (innovative technologies, establishment of new firms by universities, existing R&TD centres and firms, etc.)' has the highest financial amounts, followed by the theme 'R&TD infrastructure (including physical plant, instrumentation and high-speed computer networks linking research centres) and centres of competence in a specific technology'. These two themes together represent only 24% of the number of irregularities reported as fraudulent in relation to the 'R&TD' priority, but more than 52% of the total financial volume of these cases.

Figure CP2: PP2007-13 - Irregularities reported as fraudulent in relation to the 'R&TD' Priority by theme



4.2.2.4. Types of irregularities / modus operandi detected related to the priority 'R&TD'

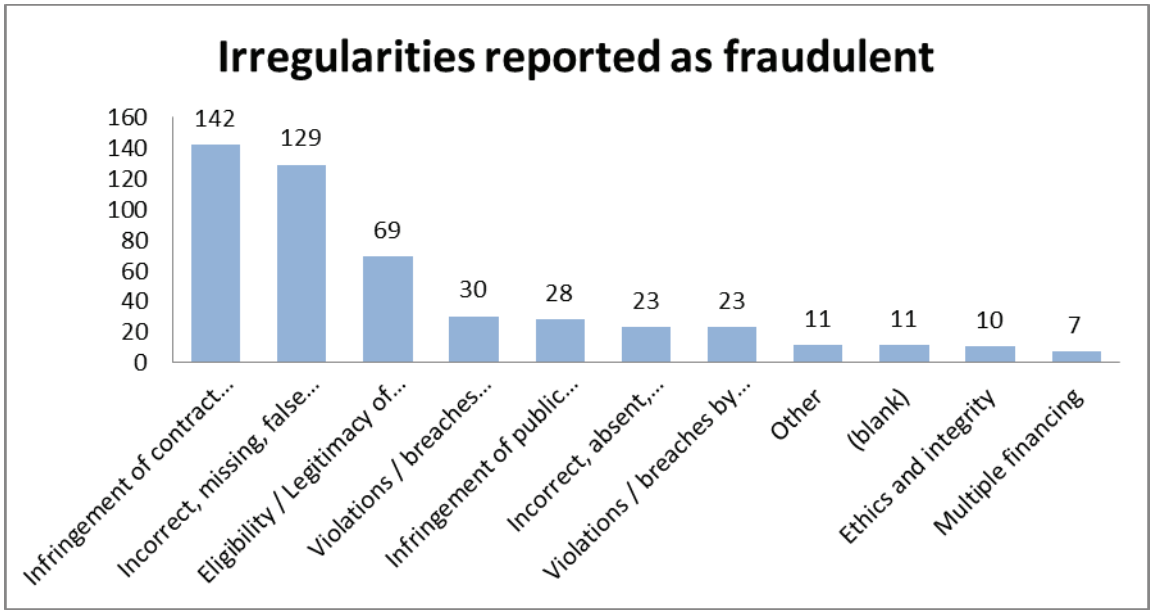
The analysis of categories of irregularities detected and reported in connection with the priority 'R&TD' shows a fragmented situation. Detected fraudulent attempts mainly happen during the implementation of a project and are made through falsified documents or declarations (in about 35% of the cases as the main violation or in conjunction with other types of infringement), or by infringing the commitments entered into through the signature of the financing contract (occurring in 38% of the cases, alone or with other), which implies that the project is not implemented according to what was initially agreed.

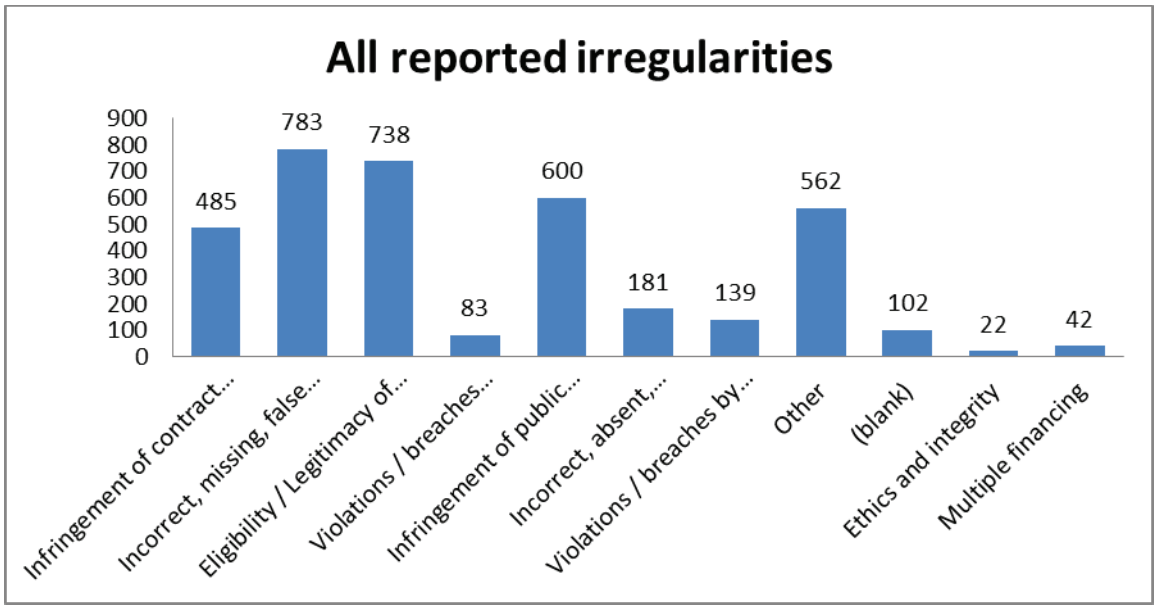
Violation of public procurement rules in connection with irregularities reported as fraudulent have been detected in 8% of the cases but impact on 14% of the total amounts involved.

Irregularities concerning ethics and integrity (including possible cases of corruption and conflict of interest) concern 3% of the cases and 6% of the total amounts affected by irregularities are reported as fraudulent. The related amounts for this category are particularly significant despite the low number of cases, as showed by the fact that, associated to this category, there is the highest average irregular amount.

Table CP16: Programming Period 2007-13 - Types of irregularity/Modus operandi detected in relation to priority "R&TD"

Typologies of irregularities	Irregularities reported as fraudulent			All reported Irregularities		
	N	EUR	EUR/avg	N	EUR	EUR/avg
Infringement of contract provisions / rules	142	139 505 570	982 434	485	389 801 023	803 713
Incorrect, missing, false or falsified supporting documents	129	82 490 695	639 463	783	198 649 358	253 703
Eligibility / Legitimacy of expenditure/measure	69	82 688 433	1 198 383	738	339 522 108	460 057
Violations / breaches concerning the request	30	9 193 805	306 460	83	51 046 452	615 017
Infringement of public procurement rules	28	51 459 942	1 837 855	600	356 232 003	593 720
Incorrect, absent, falsified accounts	23	6 413 021	278 827	181	42 315 608	233 788
Violations / breaches by the operator	23	10 848 667	471 681	139	42 513 317	305 851
Other	11	8 444 452	767 677	562	289 643 036	515 379
(blank)	11	947 830	86 166	102	38 381 835	376 293
Ethics and integrity	10	22 905 360	2 290 536	22	24 924 570	1 132 935
Multiple financing	7	1 379 078	197 011	42	85 783 119	2 042 455





The data population used in this paragraph consists of all irregularities reported in relation to the priority "R&TD" and the programming period 2007-13 until the end of 2016.

The row for totals has been omitted due to the fact that the same irregularity reported may be associated with several typologies of infringements and therefore the total sum of values in Table CP16 would result in multiple counting of the same irregularity notification.

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

The category “Eligibility / Legitimacy of expenditure / measure” refers to all irregularities concerning the eligibility of the project or of the expenditure claimed, such as ‘Not-eligible expenditure’, ‘Expenditure not-legitimate’, ‘Expenditure outside of eligibility period’,

The category “Infringements concerning the request” refers to all types of irregularities associated with the request of aid/financing, such as ‘Incorrect request for aid’, ‘Request for aid false or falsified’.

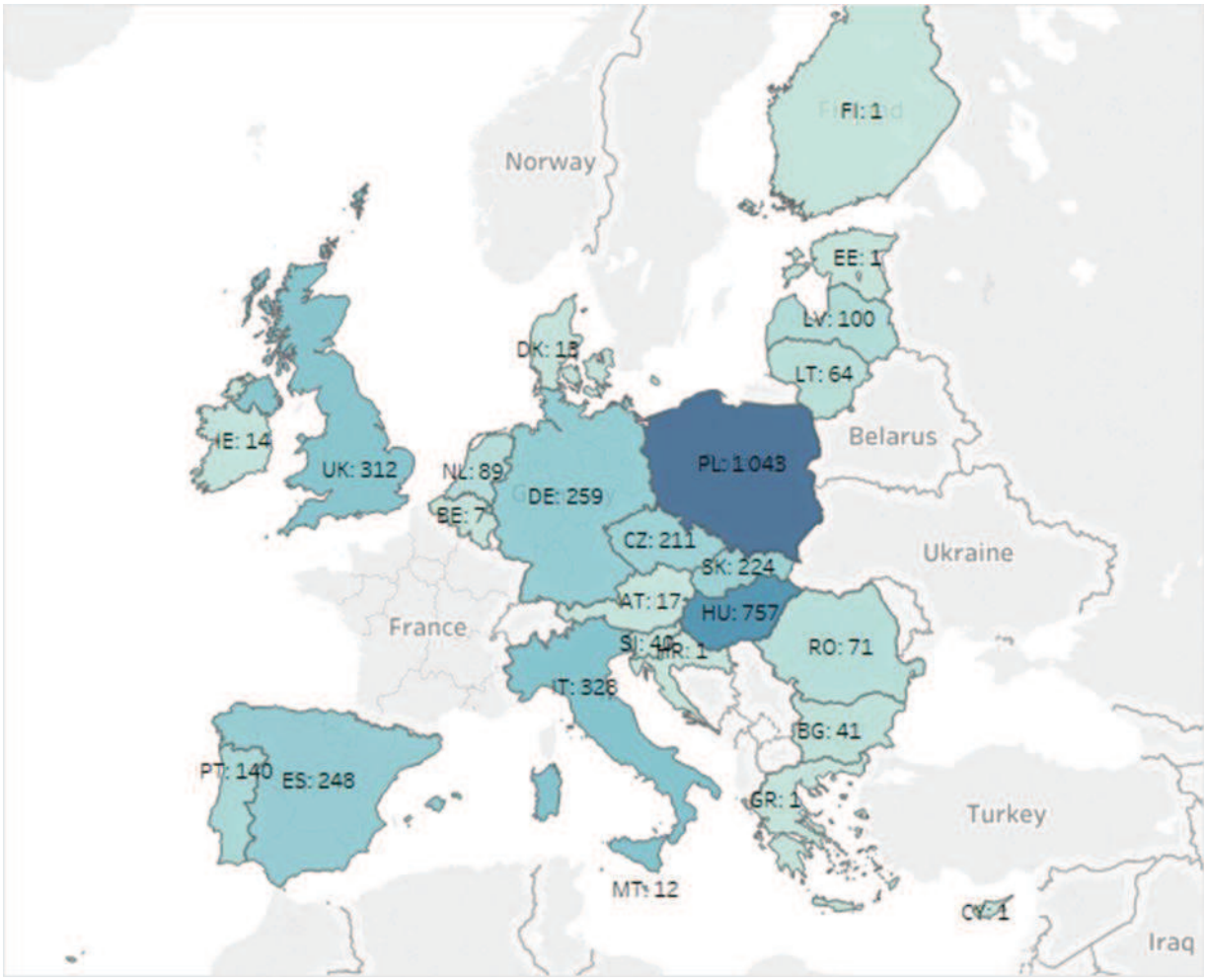
The category “Ethics and Integrity” refers to violations such as ‘Conflict of interest’, ‘Bribery – active’, ‘Bribery – passive’, ‘Corruption’, ‘Other irregularities concerning integrity and ethics’.

The “other irregularities” category is a residual category to be used when all others do not provide an adequate description of the detected irregularity.

4.2.2.5. Geographical distribution of irregularities (fraudulent and non-fraudulent) detected in relation to the 'R&TD' priority

Map CP1 shows the geographical distribution of the irregularities (fraudulent and non-fraudulent) detected and reported in relation to the theme 'R&TD'.

Map CP1: Number of irregularities (fraudulent and non-fraudulent) reported by Member State in relation to the theme 'R&TD' – programming period 2007-13



4.3. Antifraud and control activities by Member States – programming period 2007-2013

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

The present paragraph aims at examining some aspects linked to the antifraud and control activities and results of Member States. Four elements are taken into account:

- the duration of irregularities, meant as the time that runs between the beginning of the fraudulent practice and its detection/establishment by the competent authority;
- the number of irregularities reported as fraudulent by each Member State;
- the fraud detection rate (the ratio between the amounts involved in cases reported as fraudulent and the payments occurred in relation to the programming period 2007-13) and the irregularity detection rate (the ratio between the amounts involved in cases not reported as fraudulent and the payments occurred in relation to the programming period 2007-13;
- the ratio of cases of established fraud on the total number of irregularities reported as fraudulent.

4.3.1. *Duration of irregularities*

Of the 37 110 detected irregularities (fraudulent and non-fraudulent) reported by Member States in relation to the programming period 2007-13, 18 142 (47% of the total) involve infringements that have been protracted during a given span of time. For the 1 750 irregularities reported as fraudulent this percentage is higher at 60%. The remaining part of the datasets refers to irregularities/breaches which consisted of a single act identifiable on a precise date (19% of the whole dataset and 26% of that represent exclusively by the fraudulent irregularities) or for which no information has been provided (34% of the whole dataset, but only 14% of the irregularities reported as fraudulent).

Taking into account only those irregularities which have been protracted in time, their average duration is almost 20 months (*i.e.* almost 1 year and 8 months). For the irregularities reported as fraudulent, this average is just one month less: 19.

4.3.2. *Detection of irregularities reported as fraudulent by Member State in relation to the programming period 2007-13*

Map CP2 shows the number of irregularities reported as fraudulent by Member State in relation to the programming period 2007-13.

Only Luxembourg has notified no irregularity as fraudulent; fourteen (14) Member States reported less than 30 fraudulent irregularities; four (4) countries reported between 30 and 60; three (3) Member States between 60 and 90 fraudulent irregularities and six (6) more than 90.

Poland, Romania and Germany are the three countries which have reported the highest numbers.

Case study: Cohesion policy, ERDF – undue receipt of EU funds relating to a soil conservation project. Operation 'Hulk' carried out by the Catanzaro Guardia di Finanza

The Catanzaro Guardia di Finanza's Tax Investigation Unit carried out a complex investigation aimed at tackling multiple offences concerning a regional body set up for the purpose of integrated implementation of all forestry and soil conservation measures in the region's territory.

The main line of investigation concerned checking whether two project items complied with the corresponding rules. These items were co-financed with monies from the European Union budget, specifically the European Regional Development Fund (ERDF) 2007/2013, for securing riverbeds and addressing landslide risks in the region.

The investigations uncovered fraudulent conduct on the part of various persons involved in the management of the body, whereby some EUR 80 million of public funding (half of it EU funds) were unduly obtained, out of an initial allocation of more than EUR 100 million.

Against this backdrop, it was discovered that a part of the monies made available by the Union was used for purposes other than financing project targets, namely covering the ordinary expenditure of the beneficiary undertaking, including the regular and ongoing payment of the salaries of the regional body's employees.

Further inquiries also brought to light other offences at the expense of the public administration, perpetrated over the same period by members of the body's management team relating to, for example:

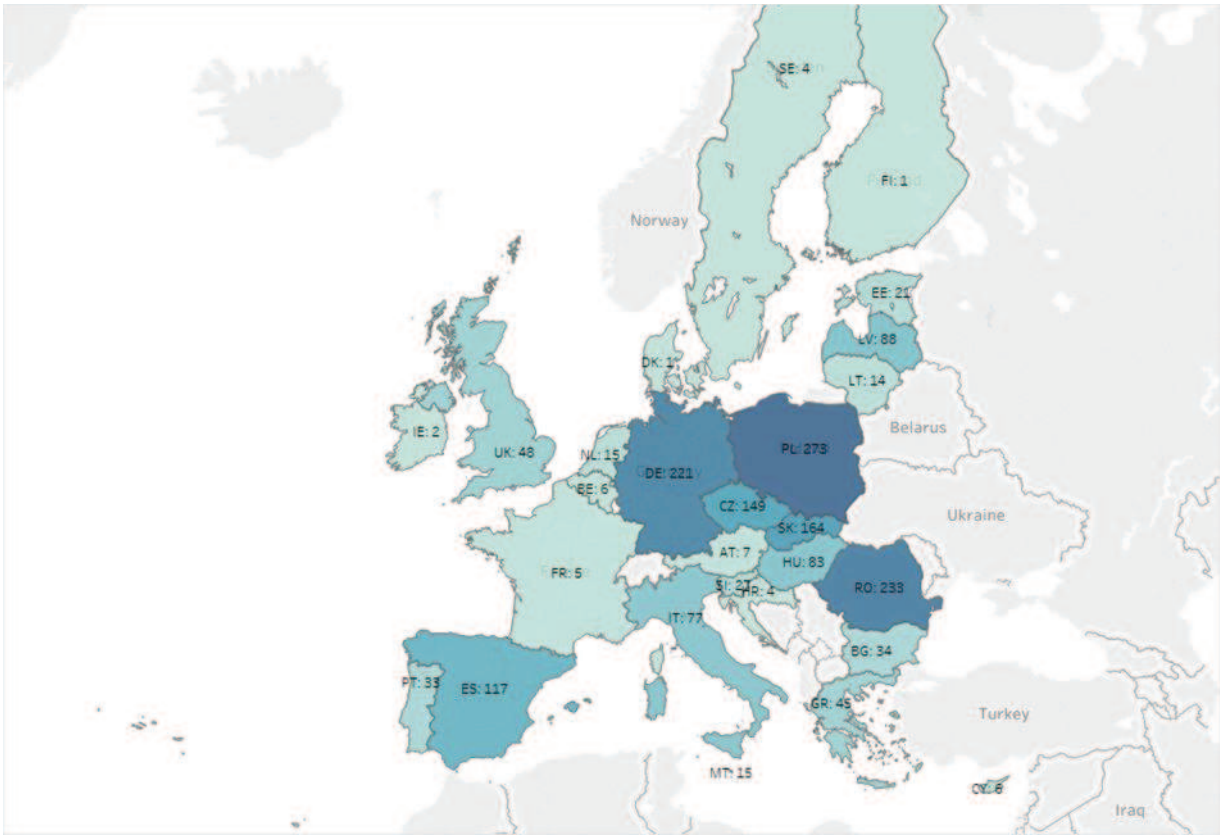
- the use of workers for private ends (during their working hours, thus taking them away from their contractual activities), as well as of the body's assets and funds;

- the attribution of a remunerated task to a person lacking the necessary qualifications to carry out the duties involved.

With respect to these criminal acts, in September 2016 the above-mentioned unit of the Guardia di Finanza, authorised by the local Public Prosecutor's office, took restraining measures against five managers, officials and

consultants of the publicly-owned entity which had been responsible to varying degrees for embezzlement of public monies, misuse of official positions, forgery and aggravated fraud.

Map CP2: Number of irregularities reported as fraudulent by Member State in relation to the programming period 2007-13 – Cohesion Policy



4.3.3. *Fraud detection rate*

The fraud detection rate compares the results obtained by Member States in their fight against fraud with the related commitment appropriations. Considering the multi-annual nature of the cohesion policy spending programmes, no annual analysis has been prepared, concentrating instead on the whole programming period 2007-13, for which commitment appropriations have almost reached 100% and the number of fraudulent irregularities reported by Member States is significant.

The fraud detection rate is the highest (>0.3%) for Slovakia, Italy, Latvia, the Czech Republic, Romania, Slovenia, Poland, Portugal and Croatia.

Table CP16: Number of irregularities reported as fraudulent, amounts involved and fraud detection rate by Member State – Programming Period 2007-13

Member State	Irregularities reported as fraudulent 2007-2013		Payments 2007-2013	Fraud detection rate
	Reported	Involved amounts		
	N	EUR	EUR	%
AT	7	1 155 265	1 175 404 280	0.10%
BE	6	3 238 250	2 084 119 208	0.16%
BG	42	8 447 298	6 652 736 814	0.13%
CY	7	532 224	631 910 587	0.08%
CZ	149	228 389 445	25 843 724 870	0.88%
DE	222	32 617 788	25 566 221 638	0.13%
DK	1	201 898	631 909 007	0.03%
EE	22	7 807 152	3 486 691 600	0.22%
ES	118	18 771 459	35 427 318 471	0.05%
FI	1	179 375	1 633 737 555	0.01%
FR	6	2 886 409	13 723 561 554	0.02%
GR	45	11 779 140	20 357 050 909	0.06%
HR	4	2 277 409	866 162 519	0.26%
HU	83	7 179 221	24 927 535 329	0.03%
IE	2	15 672	791 480 398	0.00%
IT	101	306 791 907	28 288 501 684	1.08%
LT	14	1 818 634	6 829 310 612	0.03%
LU			50 487 332	0.00%
LV	89	41 964 616	4 655 284 168	0.90%
MT	15	266 825	848 158 961	0.03%
NL	12	3 903 370	1 699 962 581	0.23%
PL	276	396 116 814	67 894 066 494	0.58%
PT	47	90 392 248	21 620 834 490	0.42%
RO	237	140 772 095	19 185 442 449	0.73%
SE	4	66 797	1 674 073 781	0.00%
SI	27	26 233 107	4 121 031 332	0.64%
SK	165	140 104 764	11 493 455 618	1.22%
UK	48	11 546 212	10 001 559 591	0.12%
CB*	40	5 590 298	7 752 461 755	0.07%
TOTAL	**1 750**	**1 485 455 394**	**349 914 195 587**	**0.42%**

Programmes under the Territorial Cooperation Programme (designated in the table under the country code 'CB', last row before the total) can involve several countries and, therefore, paid amounts are spread among the beneficiaries in various Member States. However, in general, irregularities for these programmes are reported by the Member State in which is located the managing authority. For this reason, the sums paid have been included in the total, while the irregularities reported as fraudulent and the related amounts have already been computed in relation to the country having reported them. The numbers have been included in the table to calculate the FDR related to these programmes, but they are not summed in the total row to avoid a double counting.

4.3.4. Irregularity Detection Rate

The irregularity detection rate compares the results obtained by Member States in detecting non-fraudulent irregularities with the related commitment appropriations. Considering the multi-annual nature of the cohesion policy spending programmes, no annual analysis has been prepared, concentrating instead on the whole programming period 2007-13, for which

commitment appropriations have almost reached 100% and the number of irregularities detected and reported by Member States is significant.

Table CP17: Number of irregularities not reported as fraudulent, amounts involved and irregularity detection rate by Member State – Programming Period 2007-13

Member State	Irregularities not reported as fraudulent 2007-2013		Payments 2007-2013	Irregularity detection rate
	Reported	Involved amounts		
	N	EUR	EUR	%
AT	272	21 285 612	1 175 404 280	1.81%
BE	341	22 407 928	2 084 119 208	1.08%
BG	640	113 417 423	6 652 736 814	1.70%
CY	24	1 197 080	631 910 587	0.19%
CZ	3532	1 257 700 448	25 843 724 870	4.87%
DE	1260	112 591 405	25 566 221 638	0.44%
DK	48	2 151 079	631 909 007	0.34%
EE	331	31 186 262	3 486 691 600	0.89%
ES	8596	1 241 885 683	35 427 318 471	3.51%
FI	76	3 179 233	1 633 737 555	0.19%
FR	386	57 845 477	13 723 561 554	0.42%
GR	1366	565 347 963	20 357 050 909	2.78%
HR	8	2 222 747	866 162 519	0.26%
HU	1405	226 332 617	24 927 535 329	0.91%
IE	183	11 914 676	791 480 398	1.51%
IT	1047	341 901 231	28 288 501 684	1.21%
LT	508	127 101 925	6 829 310 612	1.86%
LU	8	210 788	50 487 332	0.42%
LV	462	100 356 702	4 655 284 168	2.16%
MT	57	13 429 938	848 158 961	1.58%
NL	359	34 040 307	1 699 962 581	2.00%
PL	4901	1 128 009 941	67 894 066 494	1.66%
PT	865	121 226 156	21 620 834 490	0.56%
RO	1863	392 542 261	19 185 442 449	2.05%
SE	144	7 459 719	1 674 073 781	0.45%
SI	214	49 193 695	4 121 031 332	1.19%
SK	1297	1 088 517 387	11 493 455 618	9.47%
UK	2922	203 672 764	10 001 559 591	2.04%
CB*	492	25 837 551	7 752 461 755	0.33%
TOTAL	**33 115**	**7 278 328 449**	**349 914 195 587**	**2.08%**

Programmes under the Territorial Cooperation Programme (designated in the table under the "country-code" 'CB', last row before the total) can involve several countries and, therefore, paid amounts are spread among the beneficiaries in various Member States. However, in general, irregularities for these programmes are reported by the Member State in which is located the managing authority. For this reason, the sums paid have been included in the total, while the irregularities not reported as fraudulent and the related amounts have already been computed in relation to the country having reported them. The numbers have been included in the table to calculate the IDR related to these programmes, but they are not summed in the total row to avoid a double counting.

4.3.5. Ratio of established fraud (programming period 2007-13)

Table CP22 shows the ratio between the cases of established fraud and the total number of irregularities reported as fraudulent (including suspected and established

fraud) in the period 2009-13. Taking into account only cases reported in 2015 would be meaningless, as the criminal proceedings leading to a conviction for fraud may take several years, while using the period 2010-14 would be misleading as it will be impossible to make a sound comparison with figures published in the 2013 and 2014 Report.

Table CP18 is integrated with the 'Dismissal ratio', calculated by the differences between the total number of irregularities reported as fraudulent published in the corresponding table in the 2013 Report (TOTAL 2013) and the total calculated taking into account the updates received until the end of 2016. When the ratio is positive, it means that Member States have classified as 'suspected' or 'established fraud' an irregularity appearing as non-fraudulent in 2013.

In this respect, the average ratio of established fraud at EU level is 14%, increasing from 11% of 2013. The dismissal ratio is 5%.

If one considers exclusively the "decisions" (established + dismissed), of the 128 decided cases (91 established fraud and 37 dismissals), 71% is the 'conviction rate' and 29% the 'dismissal rate'.

Table CP18: Number of cases of suspected and established fraud, ratio of established fraud, dismissal ratio – cases reported until 2013

Member States	Suspected fraud	Established fraud	TOTAL	Ratio established fraud	TOTAL 2013	Dismissal ratio
	N	N	N	%	N	%
AT	5	1	6	17%	6	0%
BE	2		2	0%	2	0%
BG	25	2	27	7%	30	-10%
CY	5	1	6	17%	4	50%
CZ	46	5	51	10%	63	-19%
DE	64	46	110	42%	125	-12%
EE	4	4	8	50%	7	14%
ES	4		4	0%	4	0%
FI	1		1	0%	3	-67%
FR	1		1	0%	1	0%
GR	18	3	21	14%	22	-5%
HU	10		10	0%	8	25%
IE	2		2	0%	2	0%
IT	69		69	0%	62	11%
LT	9		9	0%	9	0%
LV	39	6	45	13%	45	0%
MT	14		14	0%	14	0%
NL	1		1	0%	0	#DIV/0!
PL	119	14	133	11%	140	-5%
PT	13		13	0%	12	8%
RO	61	1	62	2%	60	3%
SE	1		1	0%	5	-80%
SI	7	5	12	42%	13	-8%
SK	23	3	26	12%	21	24%
UK	25		25	0%	38	-34%
TOTAL	**568**	**91**	**659**	**14%**	**696**	**-5%**

Case study: European Fisheries Fund - Use of Spain's system of public-private partnerships to circumvent the application of public procurement rules

Spanish public procurement law, specifically the Royal Legislative Decree 3/2011 of 14 November 2011 approving the recast Law on public sector contracts, expressly excludes from its scope a specific type of legal agreement called a convenio de colaboración (public-private partnership), as laid down in Article 4(1)(c) and (d) of the aforementioned recast Law.

These legal agreements differ from public procurement contracts in that they do not relate to a mutual exchange of services between the parties for consideration, but rather they set up a partnership between the parties to achieve an objective of common interest to them both. For a legal agreement to be considered a public-private partnership in the strictest sense and for it to be exempt from public procurement rules, bearing in mind the subject of the agreement, and irrespective of the name the parties give to the agreement, the following conditions must be met:

- *both parties must be involved in actually carrying out the activity to which the agreement relates;*
- *both parties must be involved in financing the activity;*
- *the result of the activities to which the agreement relates must be jointly owned or used by both parties.*

A public-private partnership agreement differs from a public procurement contract in all of these respects; in the latter, one of the parties (the contractor) has sole responsibility for carrying out the activities, while the other party (public body) has sole responsibility for financing these activities, and the result of these activities is owned or used exclusively by the public body.

The specific case we wish to highlight here relates to a public body that was in receipt of European funding. In order to benefit from the less stringent rules that apply to public-private partnerships in Spain (specifically, the rules do not require a competitive procedure to be held to select the public body's partner), the public body handled a legal agreement as a public-private partnership (meaning that it selected its partner directly without a competitive procedure). However, in view of the subject of the agreement, it should have been considered as a service contract and the awarding of the contract should therefore have taken place in accordance with the competitive procedures laid down in the public procurement rules.

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.

5. PRE-ACCESSION POLICY (PRE-ACCESSION ASSISTANCE AND INSTRUMENT FOR PRE-ACCESSION I AND II)

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 Albania, the Former Yugoslav Republic of FYROM, Montenegro, Serbia and Turkey. Potential candidate countries are Bosnia and Herzegovina and Kosovo[10].

5.1. The Pre-accession Assistance (PAA), 2000-06

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 Turkey[11], Assistance for reconstruction, development and stabilisation for potential candidate countries (CARDS)[12] and Transition facility[13].This assistance has nearly been closed except for a few payments in CARDS.

5.2. The Instrument for Pre-accession 2007-13 – IPA I

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

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10 This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

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

12 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.

13 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:

(4) Component I, *Transition Assistance and Institution Building (TAIB)*, is managed by the European Commission's Directorate General for Enlargement;

(5) 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;

(6) Component III, *Regional Development*, is managed by the European Commission's Directorate General for Regional Policy;

(7) Component IV, *Human Resources Development*, is managed by the European Commission's Directorate General for Employment and Social Affairs; and

(8) 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. Croatia and the EU candidate countries: the Former Yugoslav Republic of FYROM, Serbia and Turkey; are eligible for all five components of IPA. While the new candidate countries, Albania 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.[14]

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.[15]

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;

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

[15] 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.)

5.3. The Instrument for Pre-accession 2014-20 – IPA II

Prepared in partnership with the beneficiaries, IPA II sets a new framework for providing pre-accession assistance for the period 2014-2020.

The most important novelty of IPA II is its strategic focus. Country Strategy Papers are the specific strategic planning documents made for each beneficiary for the 7-year period. These will provide for a stronger ownership by the beneficiaries through integrating their own reform and development agendas. A Multi-Country Strategy Paper will address priorities for regional cooperation or territorial cooperation.

IPA II targets reforms within the framework of pre-defined sectors. These sectors cover areas closely linked to the enlargement strategy, such as democracy and governance, rule of law or growth and competitiveness. This sector approach promotes structural reform that will help transform a given sector and bring it up to EU standards. It allows a move towards a more targeted assistance, ensuring efficiency, sustainability and focus on results.

IPA II also allows for a more systematic use of sector budget support. Finally, it gives more weight to performance measurement: indicators agreed with the beneficiaries will help assess to what extent the expected results have been achieved.

- The priorities outlined in the Strategy Papers are translated into detailed actions, which are included in annual or multi-annual Action Programmes. IPA II Action Programmes take the form of Financing Decisions adopted by the European Commission.
- The bulk of the assistance is channelled through the Country Action Programmes for IPA II Beneficiaries, which are the main vehicles for addressing country-specific needs in priority sectors as identified in the indicative Strategy Papers.
- Multi-Country Action Programmes aim at enhancing regional cooperation (in particular in the Western Balkans) and at adding value to the Country Action Programmes through other multi-beneficiary actions.

- Cross-Border Cooperation Programmes represent the focus of assistance in the area of territorial cooperation between IPA II beneficiaries, another important form of financial assistance.

Assistance for agriculture and rural development is also addressed via Rural Development Programmes.

IPA II funded activities are implemented and managed in various ways, in accordance with the Financial Regulation:

- Under direct management; i.e. the implementation of the budget is carried out directly by the Commission until the relevant national authorities are accredited to manage the funds.
- Under indirect management; i.e. budget implementation tasks are delegated to and carried out by entities entrusted by the Commission; they can be:

– the IPA II beneficiary or an entity designated by it (one of the main objectives of IPA II is to encourage beneficiaries to take ownership and responsibility for implementation; indirect management by the IPAII beneficiary is therefore expected to become the norm);

– an agency of a Member State or, exceptionally, of a third donor country;

– an international organisation; or

– an EU specialised (but not executive) agency.

In other words, the Commission delegates the management of certain actions to external entities, while still retaining overall final responsibility for the general budget execution.

- Shared management; i.e. implementation tasks are delegated to EU member states (only for cross–border cooperation programmes with EU countries).

In the context of direct management, Sector Budget Support is yet another tool for delivering pre-accession assistance and achieving sustainable results under IPA II. It consists of financial transfers to the national treasury account of an IPA II beneficiary and requires performance assessment and capacity development, based on partnership and mutual accountability. It is delivered through Sector Reform Contracts.

Implementation of IPA II will include a comprehensive monitoring mechanism. It will contain a review of overall performance of the progress in achieving resultsat the strategic, sector and action levels (i.e. results-based performance), in addition to monitoring of financial execution. Performance measurement will be based on indicators set out in the indicative Strategy Papers and the Programmes.

Joint monitoring committees (Commission and beneficiaries) will continue to monitor the implementation of financial assistance programmes, as was the case for the previous period of IPA.

The Commission publishes an annual report on pre-accession assistance. This report covers the previous budget year.

5.4. General analysis – Trend analysis

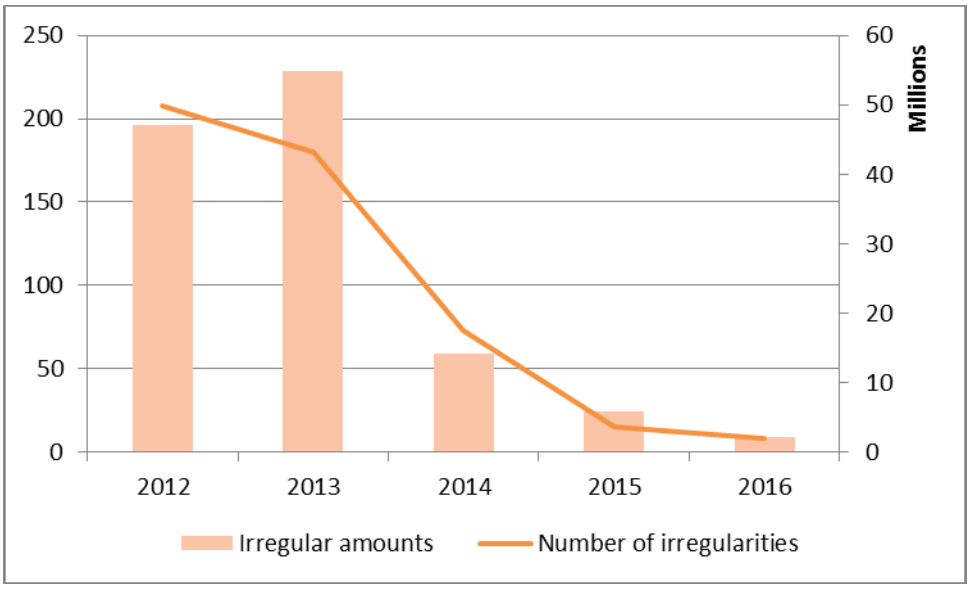
5.4.1. Trend analysis – Pre-accession assistance (PAA)

Regarding the Pre-Accession Assistance (PAA), the number of reported irregularities decreased in 2016 compared to the previous year. The downward trend, which started since 2009, is confirmed for the last five years, as showed by Table PA1.

With the phasing out of the pre-accession programmes, also the number of detected and reported fraudulent irregularities is continuously decreasing, with the only exception of the year 2013.

Table PA1 – Reported irregularities (PAA), 2012-16

Year	Irregularities not reported as fraudulent		Irregularities reported as fraudulent		TOTAL	
	N	EUR	N	EUR	N	EUR
2012	188	42 967 413	20	4 031 246	208	46 998 659
2013	148	44 859 329	32	10 037 039	180	54 896 368
2014	52	7 239 952	21	6 901 593	73	14 141 545
2015	7	1 200 645	8	4 560 389	15	5 761 034
2016	5	247 894	3	1 828 769	8	2 076 663
TOTAL	**400**	**96 515 233**	**84**	**27 359 035**	**484**	**123 874 269**



In the past five years, most of the irregularities, fraudulent and non-fraudulent (97% of the total) and the highest aggregate amount (99% of the total) were reported by Romania and Bulgaria. In relation to the distribution of irregularities according to funds, the highest numbers relate to SAPARD (64%), while the most amounts concerned relate to SAPARD and ISPA (47% each).

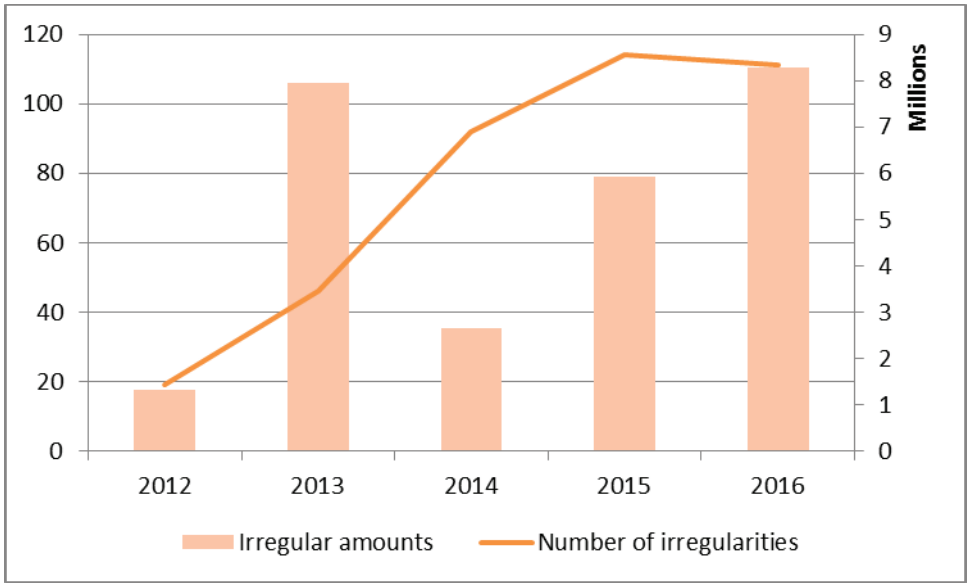
5.4.2. Trend analysis Instrument for Pre-Accession (IPA I)

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

Table PA2 details the underlining data and shows the evolution of reporting of all the irregularities (reported and not reported as fraudulent) since 2012. Irregularities reported as fraudulent have been increasing over the last two years.

Table PA2 – Reported irregularities (IPA), 2012-16

Year	Irregularities not reported as fraudulent		Irregularities reported as fraudulent		TOTAL	
	N	EUR	N	EUR	N	EUR
2012	13	1 032 488	6	299 247	19	1 331 735
2013	38	6 724 296	8	1 236 327	46	7 960 623
2014	86	2 555 293	6	95 051	92	2 650 344
2015	93	4 091 706	21	1 829 544	114	5 921 250
2016	86	7 095 980	25	1 195 027	111	8 291 007
TOTAL	**316**	**21 499 763**	**66**	**4 655 196**	**382**	**26 154 959**



During the last five years, the highest number of reported irregularities was communicated by Turkey, Bulgaria and Croatia. The highest number of irregularities was recorded in relation to IPARD and Cross-Border Cooperation. IPARD and Regional Development score the highest in monetary value.

5.5. Specific analysis – Financial year 2015

5.5.1. Pre-Accession Assistance (PAA)

In 2016 a total number of 3 irregularities were reported as fraudulent with the amount affected of EUR 1.8 million as shown in Table PA3.

Table PA3 – Reported irregularities per country (PAA), 2016

Country	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		TOTAL	
	N	EUR	N	EUR	N	EUR
BG			3	101 351	3	101 351
RO	3	1 828 769	2	146 543	5	1 975 311
TOTAL	**3**	**1 828 769**	**5**	**247 894**	**8**	**2 076 663**

These fraudulent irregularities were reported by Romania. Bulgaria reported 3 non-fraudulent irregularities.

Like in the previous years, in 2015 the majority of cases concern again SAPARD, the Special Accession Programme for Agriculture and Rural Development.

The 3 irregular fraudulent cases reported are related to the SAPARD, which remains the most affected by fraud among all the PAA funds.

Table PA4 – Reported irregularities per fund (PAA), 2016

FUND	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		TOTAL	
	N	EUR	N	EUR	N	EUR
PHARE			3	101 351	3	101 351
SAPARD	3	1 828 769	2	146 543	5	1 975 311
TOTAL	**3**	**1 828 769**	**5**	**247 894**	**8**	**2 076 663**

5.5.2. *Instrument for Pre-Accession (IPA)*

In relation to IPA I (2007-13), there were 25 irregularities reported as fraudulent in 2016, for an overall financial impact of more than EUR 1.2 million. Tables PA5 and PA6 show, respectively, the breakdown per country and per component.

Table PA5 – Reported irregularities per country (IPA), 2016

Country	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		TOTAL	
	N	EUR	N	EUR	N	EUR
BG	2	1 438	30	117 193	32	118 631
HR	1	1 006	8	164 783	9	165 788
MK	4	6 500			4	6 500
RS	5	29 113	7	42 018	12	71 130
TR	13	1 156 971	41	6 771 987	54	7 928 958
TOTAL	**25**	**1 195 027**	**86**	**7 095 980**	**111**	**8 291 007**

In 2016 Turkey was the country reporting the highest number of irregularities and the related financial amounts. Concerning the 20 irregularities reported as fraudulent, these were reported by five countries.

Cross-Border Cooperation programmes record the highest number of irregularities reported, while Rural Development programmes account for the highest amounts involved.

Table PA6 – Reported irregularities per component (IPA), 2016

FUND	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		TOTAL	
	N	EUR	N	EUR	N	EUR
CBC	7	30 551	39	163 297	46	193 848
HRD	2	1 006	14	1 266 733	16	1 267 739
IPARD	11	1 163 471	27	5 319 178	38	6 482 649
REGD	3	0			3	0
TAIB	2	0	6	346 771	8	346 771
TOTAL	**25**	**1 195 027**	**86**	**7 095 980**	**111**	**8 291 007**

No real pattern emerges from the analysis of the reported *modus operandi* for the fraudulent irregularities.

When it comes to the irregularities not reported as fraudulent, the most frequent infringements detected are related to 'irregularities concerning the operator' and the 'documentary proof'.

Section III – DIRECT MANAGEMENT

6. DIRECT MANAGEMENT

6.1. Introduction

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

According to the Financial Regulation[16], 'direct management' means that the Commission implements the budget by its departments, including its staff in the Union Delegations under the authority of their respective Head of Delegation, or through executive agencies.

For financial year 2016, a total of EUR 18.9 billion[17] has been effectively disbursed under the 'direct management' mode. Table DM1 presents the actual payments made in financial year 2016 for the twenty policy areas corresponding to 97.7% of the overall operational payments made under 'direct management'.

Table DM1 – Payments made in financial year 2016 per policy area

Policy area	Payments 2016	
	EUR million	%
Communication	71	0.37
Communications networks, content and technology	2 029	10.73
Direct research	86	0.45
Economic and financial affairs	1 089	5.76
Education and culture	1 224	6.47
Employment, Social Affairs and Inclusion	135	0.72
Energy	761	4.02
Environment	286	1.51
Foreign Policy Instruments	251	1.33
Health and food safety	290	1.53
Humanitarian Aid and Civil Protection	795	4.02
Internal market, industry, entrepreneurship and SMEs	395	2.09
International cooperation and development	1 840	9.73
Justice and consumers	105	0.55
Maritime affairs and fisheries	188	1.00
Migration and home affairs	709	3.75
Mobility and transport	1 851	9.79
Neighbourhood and enlargement negotiations	1 893	10.01
Research and Innovation	4 375	23.14
Taxation and customs union	102	0.54
Sub total of 20 policy areas	**18 479**	**97.71**
Other policy areas	432	2.29
TOTAL	**18 911**	**100.00**

16 The Financial Regulation provides for three types of management, one of them is the direct management mode. In accordance with the European Parliament and the Council Regulation (EU, Euratom) No 2015/1929 and Commission Delegated Regulation (EU) No 2015/2462.

17 Own calculation based on ABAC data for the twenty policy areas representing 97.7% of operational payments under the direct management mode, excluding administrative expenditure.

6.2. General analysis

In 2016, for the twenty policy areas, the Commission services registered 1910 recovery items[18] in ABAC that were qualified as irregularities for a total financial value EUR 84.25 million. Among these recovery items, 49 have been reported as fraudulent, involving EUR 6.25 million irregular amounts.

However, it has to be underlined that qualifications attributed to recovery items may change over the years: it may happen that cases of irregularities are turned to suspicions of fraud or the other way round, suspicions of fraud are reclassified as non-fraudulent irregularities upon the closure of the OLAF investigation. As a consequence, no direct conclusion can be drawn from the data with regard to the general trend of irregularities or fraud in this budget area.

6.2.1. Five year analysis 2012-2016

The below analysis gives an overview of recovery data recorded in the ABAC system in the last five years. From a purely statistical point of view, it can be said that between 2012 and 2016, the average number of recovery items qualified as 'irregularities reported as fraudulent'[19] was 43. The peak so far has been reached in 2014, when 89 recovery items were qualified as fraudulent. However, with regard to the recovery amounts, it has been 2016 when the highest overall amount of EUR 6.25 million were recorded as irregular amounts linked to recovery items qualified as fraudulent.

Over the five year period, the ratio between the amounts related to irregularities reported as fraudulent' and relative expenditure[20] is very small, as it remains close to zero (0.025%). The figures are presented in Table DM2 below.

Table DM2 – Irregularities reported as fraudulent and related amounts, financial years 2012-2016

Year	Payments	Irregularities reported as fraudulent		Irregular amounts/ Payments
	EUR million	EUR million	N	%
2012	14 134	3.52	39	0.025
2013	14 647	2.61	24	0.018
2014	12 059	5.74	89	0.048
2015	16 025	0.78	16	0.005
2016	18 479	6.25	49	0.034
TOTAL	**75 342**	**18.91**	**217**	**0.025**

At the same time, we can experience a steady increase of the recorded number of 'irregularities not reported as fraudulent' as well as of the associated financial amounts until 2015. However, figures drop for 2016, as it is demonstrated by table DM3 below.

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18 Recovery items mean 'recovery context' elements in ABAC. There can be more recovery context elements associated to one recovery order issued.

19 'Irregularities reported as fraudulent' are cases of recovery items qualified in the ABAC system as 'OLAF notified'.

20 Relative expenditure means that for the calculation only the effective operational payments related to the twenty policy areas are taken into account.

Table DM3 – Irregularities not reported as fraudulent and related amounts, financial years 2012-2016

Year	Payments	Irregularities not reported as fraudulent		Irregular amounts/ Payments
	EUR million	EUR million	N	%
2012	14 134	64.40	1397	0.456
2013	14 647	76.84	1512	0.525
2014	12 059	92.04	1810	0.763
2015	16 025	120.03	2096	0.749
2016	18 479	78.00	1861	0.422
TOTAL	**75 342**	**431.31**	**8676**	**0.572**

Between 2012 and 2016, there were all together 8676 registered recovery items qualified as 'irregularities not reported as fraudulent' with the aggregate recovery amount of EUR 431.31 million.

The ratio between the aggregate irregular amounts corresponding to the recovery items (classified as 'irregularities not reported as fraudulent' between 2012 and 2016) and the reference figure of the related expenditure is about half a percent (0.572%).

These figures demonstrate the efficiency of the irregularity detection and recovery mechanisms in place.

6.3. Specific analysis

6.3.1. Recoveries according policy areas

Table DM4 provides a picture of irregularity statistics with a breakdown of the twenty policy areas for year 2016.

Table DM4 – Irregularities reported by policy areas and related amounts, 2016

Policy area	Payments 2016	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR million	EUR million	N	EUR million	N
Communication	71	0.11	5	0.00	0
Communications networks, content and technology	2 029	8.24	206	4.97	29
Direct research	86	0.12	4	0.00	0
Economic and financial affairs	1 089	0.00	0	0.00	0
Education and culture	1 224	5.73	288	0.06	1
Employment, Social Affairs and Inclusion	135	0.92	27	0.00	0
Energy	761	0.95	22	0.00	0
Environment	286	3.26	42	0.00	0
Foreign Policy Instruments	251	6.26	130	0.08	9
Health and food safety	290	1.57	37	0.00	0
Humanitarian Aid and Civil Protection	795	0.85	52	0.00	0
Internal market, industry, entrepreneurship and SMEs	395	4.27	116	0.00	0
International cooperation and development	1 840	6.54	152	0.20	2
Justice and consumers	105	0.52	22	0.00	0
Maritime affairs and fisheries	188	0.00	1	0.00	0
Migration and home affairs	709	0.77	26	0.00	0
Mobility and transport	1 851	8.45	55	0.09	1
Neighbourhood and enlargement negotiations	1 893	7.34	78	0.00	0
Research and Innovation	4 375	22.03	574	0.85	7
Taxation and customs union	102	0.05	24	0.00	0
TOTAL	**18 479**	**78.00**	**1 861**	**6.25**	**49**

In the financial year 2016, the highest numbers of recovery items qualified as 'irregularities not reported as fraudulent' were recorded in the 'Research and innovation' budget area. In terms of irregular amounts related to these irregularities, it

was also the policy field 'Research and innovation' that scored by far with the highest amount of EUR 22.03 million, which is followed by budget areas 'Mobility and transport' (EUR 8.45 million) and 'Communications networks, content and technology' (EUR 8.24 million). Furthermore, substantial irregular amounts have been recovered in areas of 'Neighbourhood and enlargement negotiations' (EUR 7.34 million), 'International cooperation and development' (EUR 6.54 million) and 'Foreign Policy Instruments' (EUR 6.26 million). These six policy areas account for 58.9 % of the total irregular amounts recovered.

Regarding 'irregularities reported as fraudulent', there were 49 recovery items registered mostly concerning budget area 'Communications networks, content and technology' (29 items), followed by 'Foreign policy instruments' (9 items) and 'Research and innovation' (7 items) budget areas.

The total relate irregular amounts were EUR 6.25 million, out of which alone policy area 'Communications networks, content and technology' counts for EUR 4.97 million.

The five year perspective of irregularities regarding the twenty policy fields is presented hereunder by table DM5.

Table DM5 – Irregularities reported by policy areas and related amounts, financial years 2012-2016

Policy area	Payments 2012-2016	Irregularities not reported as fraudulent	Irregular amounts/ Payments	Irregularities reported as fraudulent	Irregular amounts/ Payments
	EUR million	EUR million	%	EUR million	%
Communication	535	0.36	0.068	0.14	0.026
Communications networks, content and technology	7 455	64.59	0.866	8.56	0.115
Direct research	531	0.36	0.067	0.00	0.000
Economic and financial affairs	1 288	0.05	0.004	0.00	0.000
Education and culture	6 261	27.97	0.447	2.22	0.035
Employment, Social Affairs and Inclusion	609	1.9	0.312	0.00	0.000
Energy	2 851	24.05	0.844	0.04	0.001
Environment	1 319	12.81	0.971	0.67	0.051
Foreign Policy Instruments	4 234	30.9	0.730	2.17	0.051
Health and food safety	1 475	1.59	0.108	0.00	0.000
Humanitarian Aid and Civil Protection	3 414	6.84	0.200	0.00	0.000
Internal market, industry, entrepreneurship and SMEs	2 654	11.91	0.449	1.26	0.048
International cooperation and development	8 563	31.03	0.362	1.49	0.017
Justice and consumers	516	2.61	0.506	0.00	0.000
Maritime affairs and fisheries	983	2.43	0.247	0.00	0.000
Migration and home affairs	1 425	9.95	0.698	0.00	0.000
Mobility and transport	5 751	98.56	1.714	0.00	0.002
Neighbourhood and enlargement negotiations	3 769	18.83	0.500	0.27	0.007
Research and Innovation	21 291	84.52	0.397	1.99	0.000
Taxation and customs union	420	0.06	0.015	0.00	0.000
TOTAL	75 342	431.31	0.572	18.91	0.025

The above table demonstrates that 'Communications networks, content and technology' policy field recorded the highest aggregate recovery amounts (EUR 8.56 million) over the past five years in relation to 'irregularities reported as fraudulent' followed by policy areas 'Education and culture', 'Foreign Policy Instruments' and 'Research and innovation' (each amounting to around EUR 2 million). These four policy areas account for four fifths of the total recovery amounts related to 'irregularities reported as fraudulent' between 2012 and 2016.

Regarding 'irregularities not reported as fraudulent', the highest aggregate recovery amounts (EUR 98.56 million) were recorded in the policy area of 'Mobility and

transport' during the last five years. It is followed by 'Research and innovation' (EUR 84.52 million) and then by 'Communications networks, content and technology' (EUR 64.59 million) policy fields. These three policy areas account for over the half (57.4%) of the total recovery amounts related to 'irregularities not reported as fraudulent' over the past five years. A further one fifth (19.3%) of the aggregate recovery amounts were recorded in relation to policy fields 'International Cooperation and Development', 'Education and culture', and 'Energy'. However, one has to bear in mind that compared to the overall payments made for the twenty policy fields, the irregularity rate remains close to zero, on average 0.572% for the period 2012-2016.

6.3.2. *Recoveries according to legal entity residence*

87.5% of the total number of recovery items qualified as irregular (whether reported as fraudulent or not) concerned legal entities resident of the European Union. It should be noted however, that the residence of the legal entity is not necessarily the same as that of the main beneficiary. Nevertheless, in 75.5% of these irregularities, the main beneficiary was also an EU Member State.

Table DM6 – Recoveries per country of residence of the legal entity, 2012-2016

LE Country name	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Austria	7 263 372	141	0	0
Belgium	28 652 329	814	807 678	16
Bulgaria	1 217 266	71	35 779	1
Croatia	2 504 569	48	755 003	4
Cyprus	3 779 649	50	0	0
Czech Republic	5 520 278	78	1210	1
Denmark	5 185 795	149	121 404	1
Estonia	1 457 424	39	0	0
Finland	3 164 355	135	0	0
France	39 151 112	929	983 847	5
Germany	39 332 914	825	803 686	10
Greece	16 337 509	327	1 112 924	7
Hungary	3 018 012	97	1 019 932	15
Ireland	5 274 155	93	0	0
Italy	50 748 921	794	7 834 740	76
Latvia	133 921	24	0	0
Lithuania	514 097	41	0	0
Luxembourg	1 552 991	29	0	0
Malta	2 652 011	32	0	0
Netherlands	31 593 845	679	134 928	2
Poland	3 133 737	94	63 835	2
Portugal	38 051 789	151	1 002 511	10
Romania	9 630 610	96	79 658	3
Slovakia	1 331 301	25	492 599	3
Slovenia	1 358 490	37	0	0
Spain	23348771	547	1 106 103	35
Sweden	18 204 481	254	262 575	4
United Kingdom	44 143 374	995	888 246	9
Total EU	**388 257 079**	**7 594**	**17 506 658**	**204**
Total other countries	*43 051 652*	*1082*	*1 403 321*	*13*
Grand Total	**431 308 731**	**86 76**	**18 909 978**	**217**

Table DM6 above summarises the total recoveries made in the past five years according to the legal entity country to which the payment was unduly disbursed.

6.3.3. *Method of detection*

For each recovery item, the Commission service issuing the recovery order has to indicate how the irregularity has been detected. Six different categories are pre-defined for this purpose, two of which fall under the direct responsibility of the European Commission: 'Ex-ante controls' and 'Ex-post controls'. Table DM7 gives a breakdown of the recoveries by source of detection and by qualification in the last five years.

Table DM7 – Irregularities reported by source of detection and by qualification, 2012-2016

Source of detection 2012-2016	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Ex-ante controls	153 670 170	2 361	934 851	9
Ex-post controls	177 840 907	4 571	4 616 867	73
Other controls (ECA)	15 174 791	55	16 716	1
Other controls (Member States)	972 611	9	0	0
Other controls (OLAF)	3 287 999	23	12 707 119	126
Other controls (To identify) and n.a.	80 362 253	1 657	634 426	8
TOTAL	**431 308 731**	**8 676**	**18 909 978**	**217**

Regarding the 'irregularities reported as fraudulent', 'OLAF' has been marked as the source of detection in relation to 58.0% of recovery items corresponding to 67.2% of total recovery amounts. Meanwhile 'Ex-post controls' was the source of detection of 73 recovery items corresponding to also one quarter of the recovery amounts.

The 80% of 'irregularities not reported as fraudulent' were detected through Commission controls. There is an increasing tendency over the past five years both in terms of number and of financial value of cases detected due to the effective *ex-ante* and *ex-post* controls. Year 2016 represents so far the peak, 80.4% of recovery items (all irregularities) were detected by such controls involving 90.5% of total related irregular amounts.

6.3.4. *Types of irregularity*

The Commission services also have to indicate the type of irregularity in the recovery context for the respective recovery item in question. Several types can be attributed to one recovery item. It can be observed that irregularity type 'Amount ineligible' appears the most frequently in the past five years, followed by types 'Documents missing' and 'Under-performance / non-performance'. Table DM8 provides the full picture regarding the frequency of occurrence of each type.

Table DM8 – Types of irregularity, 2012-2016

Type of irregularity 2012-2016	Irregularities not reported as fraudulent (frequency %)		Irregularities reported as fraudulent (frequency %)	
	Amount	Number	Amount	Number
Amount ineligible	53.2	72.0	61.0	50.9
Beneficiary	2.3	2.1	0.2	0.7
Documents missing	11.0	10.3	25.9	37.1
Double funding	6.9	1.3	3.2	3.1
Profit	0.4	0.4	0.6	0.3
Public procurement rules not respecte	7.6	2.7	2.2	3.1
Under-performance / non-performanc	16.3	8.0	3.7	3.1
(blank)	2.2	3.3	3.2	1.7

The same pattern of irregularity type frequency was observed last year taking into account the 2011-2015 periods.

6.3.5. Time delay

For the recovery items qualified as irregularities (both reported as fraudulent and not reported as fraudulent) issued between 2012 and 2016, the average delay between the occurrence of the irregularity and its detection is about 3 years. It should be noted however, that the average time delay is slightly lower for recovery items qualified as fraudulent (2.9 years) than for other non-fraudulent irregularities (3.2 years).

6.3.6. Recovery

Once a recovery order is issued, the beneficiary is requested to pay back the amount unduly received or the amount is offset from remaining payments for the beneficiary.

For the recovery orders issued between 2012 and 2016, 63.2% of the total irregular amounts have already been recovered. This percentage is exactly the same as for period 2011-2015. This means that about EUR 284 million out of the total recovery amount EUR 450 million has already been cashed. Yet, there are differences between the recovery rates for irregularities reported as fraudulent and those not reported as fraudulent. The recovery rate for 'irregularities reported as fraudulent' remains well below the recovery rate for 'irregularities not reported as fraudulent'. When looking at the five year period, the recovery rate for 'irregularities reported as fraudulent' is only 20.9%, meanwhile for 'irregularities not reported as fraudulent' it is higher, 65.0%.

COUNTRY FACTSHEETS

Belgium - Belgique/België

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	36	9 261 635	167	6 679 740	0.62%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			15	226 035	0.00%	0.04%
EAFRD			5	205 982	0.00%	0.36%
EAGF/EAFRD			1	10 731		
TOTAL	**0**	**0**	**21**	**442 748**	**0.00%**	**0.07%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	3	401 569	53	1 047 139	0.01%	0.03%
EAFRD			25	569 716	0.00%	0.23%
EAGF/EAFRD			6	161 586		
TOTAL	**3**	**401 569**	**84**	**1 778 441**	**0.01%**	**0.05%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	10	1	11	9%
Irregularities reported as fraudulent 2012-16	1	2	3	67%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**1**	**0**	**60**	**3 239 754**	**n/r**	**n/r**
ERDF	*0*	*0*	*35*	*1 462 541*	*n/r*	*n/r*
ESF	*1*	*0*	*25*	*1 777 214*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**6**	**3 238 250**	**346**	**22 407 928**	**0.17%**	**1.17%**
ERDF	*3*	*1 936*	*127*	*5 403 263*	*0.00%*	*0.58%*
ESF	*3*	*3 236 314*	*219*	*17 004 665*	*0.33%*	*1.71%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	3		3	0%
Irregularities reported as fraudulent 2012-16*	7		7	0%

Bulgaria - България

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	11	436 567	2	52 150	0.54%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	3	1 051 320			0.14%	0.00%
EAFRD	57	11 056 186	40	3 713 584	4.29%	1.44%
EAGF/EAFRD						
TOTAL	**60**	**12 107 506**	**40**	**3 713 584**	**1.21%**	**0.37%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	25	2 922 163	17	2 298 022	0.10%	0.08%
EAFRD	137	17 148 044	101	17 901 045	0.97%	1.02%
EAGF/EAFRD	1	25 105				
TOTAL	**163**	**20 095 312**	**118**	**20 199 067**	**0.42%**	**0.43%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	167	59	226	26%
Irregularities reported as fraudulent 2012-16	131	32	163	20%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**4**	**565 873**	**140**	**33 534 541**	**n/r**	**n/r**
CF	*0*	*0*	*38*	*22 539 265*	*n/r*	*n/r*
ERDF	*2*	*486 021*	*84*	*10 044 524*	*n/r*	*n/r*
ESF	*2*	*79 853*	*18*	*950 752*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**34**	**7 348 544**	**701**	**112 681 317**	**0.13%**	**2.00%**
CF	*1*	*5 019 507*	*195*	*52 927 499*	*0.27%*	*2.88%*
ERDF	*11*	*790 358*	*408*	*52 315 677*	*0.03%*	*1.96%*
ESF	*22*	*1 538 679*	*98*	*7 438 141*	*0.14%*	*0.67%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	25	2	27	7%
Irregularities reported as fraudulent 2012-16	27	1	28	4%

Czech Republic - Česká republika

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	2	140 600	80	5 298 065	1.73%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	4	18 233	5	265 107	0.00%	0.03%
EAFRD	10	834 014	37	2 482 278	0.24%	0.72%
EAGF/EAFRD						
TOTAL	**14**	**852 246**	**42**	**2 747 385**	**0.07%**	**0.23%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	14	5 788 304	52	26 098 347	0.14%	0.61%
EAFRD	39	69 771 598	278	265 908 343	4.34%	16.55%
EAGF/EAFRD						
TOTAL	**53**	**75 559 902**	**330**	**292 006 690**	**1.29%**	**4.99%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	24	1	25	4%
Irregularities reported as fraudulent 2012-16	47	6	53	11%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**37**	**30 467 351**	**409**	**111 433 627**	**n/r**	**n/r**
CF	*2*	*20 607*	*73*	*41 726 918*	*n/r*	*n/r*
ERDF	*27*	*28 941 805*	*221*	*53 618 457*	*n/r*	*n/r*
ESF	*8*	*1 504 939*	*115*	*16 088 252*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**149**	**228 389 445**	**4 027**	**1 256 214 563**	**1.04%**	**5.72%**
CF	*11*	*17 422 031*	*362*	*131 329 741*	*0.25%*	*1.88%*
ERDF	*99*	*207 877 962*	*2 132*	*1 019 706 638*	*1.78%*	*8.75%*
ESF	*39*	*3 089 452*	*1 533*	*105 178 183*	*0.09%*	*3.13%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	48	5	53	9%
Irregularities reported as fraudulent 2012-16*	137	5	142	4%

* Includes different programming periods

Denmark - Danmark

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	5	8 581 374	73	3 720 877	2.93%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	45 627	5	260 698	0.01%	0.03%
EAFRD	2	209 103	18	3 271 972	0.18%	2.77%
EAGF/EAFRD						
TOTAL	**4**	**254 730**	**23**	**3 532 670**	**0.03%**	**0.36%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	78	27 724 550	79	17 188 712	0.60%	0.37%
EAFRD	3	212 058	55	15 306 644	0.05%	3.94%
EAGF/EAFRD						
TOTAL	**81**	**27 936 608**	**134**	**32 495 357**	**0.56%**	**0.65%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	118		118	0%
Irregularities reported as fraudulent 2012-16	80	1	81	1%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**13**	**629 008**	**n/r**	**n/r**
ERDF			*7*	*383 330*	*n/r*	*n/r*
ESF			*6*	*245 678*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**1**	**201 898**	**33**	**1 278 670**	**0.04%**	**0.26%**
ERDF	*1*	*201 898*	*18*	*755 591*	*0.08%*	*0.31%*
ESF			*15*	*523 079*	*0.00%*	*0.22%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13			0	#DIV/0!
Irregularities reported as fraudulent 2012-16	1		1	0%

Germany - Deutschland

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	93	5 112 337	1 489	67 203 731	1.39%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	26 079	23	637 380	0.00%	0.01%
EAFRD	2	205 754	45	2 251 291	0.02%	0.20%
EAGF/EAFRD			2	156 517		
TOTAL	**3**	**231 833**	**70**	**3 045 188**	**0.00%**	**0.05%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	10	1 360 843	194	4 401 979	0.01%	0.02%
EAFRD	15	1 438 900	266	10 695 212	0.03%	0.20%
EAGF/EAFRD			3	177 297		
TOTAL	**25**	**2 799 744**	**463**	**15 274 488**	**0.01%**	**0.05%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	17	4	21	19%
Irregularities reported as fraudulent 2012-16	21	4	25	16%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**24**	**5 508 712**	**256**	**24 133 915**	**n/r**	**n/r**
ERDF	*4*	*2 403 613*	*177*	*19 010 496*	*n/r*	*n/r*
ESF	*20*	*3 105 098*	*79*	*5 123 419*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**221**	**32 603 668**	**1 374**	**112 056 581**	**0.14%**	**0.48%**
ERDF	*41*	*12 702 610*	*905*	*85 745 178*	*0.09%*	*0.58%*
ESF	*180*	*19 901 059*	*469*	*26 311 403*	*0.23%*	*0.30%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	183	124	307	40%
Irregularities reported as fraudulent 2012-16*	196	19	215	9%

* Includes different programming periods

Estonia - Eesti

1. Traditional Own Resources					
Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	1	0	3	63 879	0.19%

2. Natural Resources						
Irregularities reported in 2016						
Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF					0.00%	0.00%
EAFRD	5	1 735 030	18	713 094	1.32%	0.54%
EAGF/EAFRD						
TOTAL	**5**	**1 735 030**	**18**	**713 094**	**0.68%**	**0.28%**
Irregularities reported 2012-2016						
Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			12		0.00%	0.00%
EAFRD	30	10 360 149	152	4 855 816	2.47%	1.16%
EAGF/EAFRD						
TOTAL	**30**	**10 360 149**	**164**	**4 855 816**	**1.10%**	**0.52%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	19	4	23	17%
Irregularities reported as fraudulent 2012-16	27	3	30	10%

3. Cohesion Policy						
Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**9**	**3 958 131**	**21**	**766 978**	**n/r**	**n/r**
CF	*1*	*422 969*			*n/r*	*n/r*
ERDF	*7*	*3 346 162*	*20*	*735 022*	*n/r*	*n/r*
ESF	*1*	*189 000*	*1*	*31 956*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**21**	**7 613 236**	**367**	**30 125 508**	**0.24%**	**0.93%**
CF	*5*	*2 691 616*	*16*	*2 552 499*	*0.25%*	*0.23%*
ERDF	*14*	*4 700 664*	*296*	*26 274 164*	*0.27%*	*1.49%*
ESF	*2*	*220 956*	*55*	*1 298 846*	*0.06%*	*0.35%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	6	4	10	40%
Irregularities reported as fraudulent 2012-16*	18	3	21	14%

* Includes different programming periods

Ireland - Éire

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	3	445 574	28	4 561 472	1.40%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			28	523 623	0.00%	0.04%
EAFRD			33	856 953	0.00%	0.21%
EAGF/EAFRD						
TOTAL	**0**	**0**	**61**	**1 380 576**	**0.00%**	**0.08%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	3	77 418	402	8 377 705	0.00%	0.13%
EAFRD	32	385 305	122	4 355 186	0.03%	0.32%
EAGF/EAFRD						
TOTAL	**35**	**462 723**	**524**	**12 732 891**	**0.01%**	**0.17%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	4		4	0%
Irregularities reported as fraudulent 2012-16	32	3	35	9%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**39**	**5 146 539**	**n/r**	**n/r**
ERDF			*10*	*811 685*	*n/r*	*n/r*
ESF			*29*	*4 334 855*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**2**	**15 672**	**173**	**11 778 216**	**0.00%**	**1.74%**
ERDF			*21*	*1 429 426*	*0.00%*	*0.42%*
ESF	*2*	*15 672*	*152*	*10 348 790*	*0.00%*	*3.10%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	3		3	0%
Irregularities reported as fraudulent 2012-16			0	#DIV/0!

* Includes different programming periods

Greece - Ελλάδα

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	30	5 594 313	8	8 599 250	7.17%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			26	442 876	0.00%	0.02%
EAFRD	2	38 015	93	1 608 901	0.01%	0.22%
EAGF/EAFRD						
TOTAL	**2**	**38 015**	**119**	**2 051 777**	**0.00%**	**0.07%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	17	1 806 632	107	41 574 621	0.02%	0.36%
EAFRD	18	752 593	313	6 556 670	0.03%	0.30%
EAGF/EAFRD						
TOTAL	**35**	**2 559 226**	**420**	**48 131 291**	**0.02%**	**0.35%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	28	1	29	3%
Irregularities reported as fraudulent 2012-16	34	1	35	3%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**16**	**3 359 857**	**552**	**180 496 798**	**n/r**	**n/r**
CF			*28*	*3 173 474*	*n/r*	*n/r*
ERDF	*10*	*3 188 662*	*417*	*166 480 576*	*n/r*	*n/r*
ESF	*6*	*171 195*	*107*	*10 842 748*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**45**	**11 779 140**	**1 466**	**562 133 471**	**0.06%**	**2.84%**
CF			*110*	*57 460 203*	*0.00%*	*1.57%*
ERDF	*36*	*11 558 611*	*1 148*	*466 383 816*	*0.10%*	*3.88%*
ESF	*9*	*220 530*	*208*	*38 289 452*	*0.01%*	*0.92%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	22	7	29	24%
Irregularities reported as fraudulent 2012-16*	52	7	59	12%

* Includes different programming periods

Spain - España

1. Traditional Own Resources					
Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	42	2 972 087	242	41 581 643	2.36%

2. Natural Resources						
Irregularities reported in 2016						
Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	19 319	122	8 799 350	0.00%	0.16%
EAFRD	9	561 449	192	12 901 817	0.06%	1.43%
EAGF/EAFRD						
TOTAL	**10**	**580 768**	**314**	**21 701 167**	**0.01%**	**0.33%**
Irregularities reported 2012-2016						
Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	25	1 264 429	956	38 885 003	0.00%	0.14%
EAFRD	27	1 357 130	916	72 115 076	0.03%	1.54%
EAGF/EAFRD						
TOTAL	**52**	**2 621 559**	**1872**	**111 000 079**	**0.01%**	**0.33%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	22	1	23	4%
Irregularities reported as fraudulent 2012-16	52		52	0%

3. Cohesion Policy						
Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**7**	**5 213 134**	**2 599**	**304 079 926**	**n/r**	**n/r**
CF			*47*	*25 460 745*	*n/r*	*n/r*
ERDF	*7*	*5 213 134*	*2 497*	*275 268 866*	*n/r*	*n/r*
ESF			*55*	*3 350 315*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**117**	**17 036 352**	**8 429**	**1 221 684 443**	**0.06%**	**4.21%**
CF	*2*	*95 639*	*210*	*49 598 244*	*0.00%*	*1.47%*
ERDF	*110*	*16 526 011*	*7 785*	*1 135 520 691*	*0.08%*	*5.77%*
ESF	*5*	*414 702*	*434*	*36 565 508*	*0.01%*	*0.61%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	17	2	19	11%
Irregularities reported as fraudulent 2012-16*	116		116	0%

* Includes different programming periods

France

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	83	28 785 027	234	21 343 994	2.45%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	18	2 533 258	76	6 743 906	0.04%	0.09%
EAFRD	4	842 554	131	2 847 052	0.12%	0.41%
EAGF/EAFRD						
TOTAL	**22**	**3 375 812**	**207**	**9 590 957**	**0.04%**	**0.12%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	50	28 499 420	422	56 763 975	0.07%	0.14%
EAFRD	6	913 958	355	7 497 900	0.02%	0.19%
EAGF/EAFRD						
TOTAL	**56**	**29 413 378**	**777**	**64 261 875**	**0.06%**	**0.14%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	13		13	0%
Irregularities reported as fraudulent 2012-16	55	1	56	2%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**80**	**8 970 768**	**n/r**	**n/r**
ERDF			*25*	*7 594 188*	*n/r*	*n/r*
ESF			*55*	*1 376 580*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**5**	**2 886 409**	**377**	**56 853 843**	**0.02%**	**0.45%**
ERDF	*1*	*197 681*	*228*	*38 770 755*	*0.00%*	*0.53%*
ESF	*4*	*2 688 728*	*149*	*18 083 088*	*0.05%*	*0.35%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	1	1	2	50%
Irregularities reported as fraudulent 2012-16	5		5	0%

* Includes different programming periods

Croatia - Hrvatska

1. Traditional Own Resources					
Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	5	342 006	12	589 781	1.60%

2. Natural Resources						
Irregularities reported in 2016						
Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			6	182 252	0.00%	0.10%
EAFRD	10	2 575 582	17	317 999	1.70%	0.21%
EAGF/EAFRD						
TOTAL	**10**	**2 575 582**	**23**	**500 251**	**0.75%**	**0.15%**
Irregularities reported 2012-2016						
Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			7	317 686	0.00%	0.11%
EAFRD	10	2 575 582	17	317 999	1.70%	0.21%
EAGF/EAFRD						
TOTAL	**10**	**2 575 582**	**24**	**635 685**	**0.59%**	**0.15%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2012-16	10		10	0%

3. Cohesion Policy						
Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**1**	**92 949**	**7**	**2 220 316**	**n/r**	**n/r**
CF					*n/r*	*n/r*
ERDF	*1*	*92 949*	*6*	*2 199 748*	*n/r*	*n/r*
ESF			*1*	*20 569*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**4**	**2 277 409**	**8**	**2 222 747**	**0.41%**	**0.40%**
CF					*0.00%*	*0.00%*
ERDF	*2*	*2 231 541*	*7*	*2 202 179*	*0.90%*	*0.89%*
ESF	*2*	*45 868*	*1*	*20 569*	*0.04%*	*0.02%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13			0	#DIV/0!
Irregularities reported as fraudulent 2012-16	4		4	0%

Italy - Italia

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	22	6 548 191	89	17 235 008	1.06%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	12	703 791	397	40 051 492	0.02%	0.89%
EAFRD	7	1 975 382	317	20 775 502	0.20%	2.12%
EAGF/EAFRD	1	27 836	20	1 436 462		
TOTAL	**20**	**2 707 009**	**734**	**62 263 456**	**0.05%**	**1.14%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	194	48 850 311	1 332	79 736 888	0.21%	0.35%
EAFRD	71	7 455 768	874	42 065 039	0.13%	0.71%
EAGF/EAFRD	15	2 242 771	44	4 485 185		
TOTAL	**280**	**58 548 849**	**2250**	**126 287 112**	**0.20%**	**0.44%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	301	11	312	4%
Irregularities reported as fraudulent 2012-16	268	12	280	4%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**155**	**47 139 562**	**n/r**	**n/r**
ERDF			*95*	*45 430 263*	*n/r*	*n/r*
ESF			*60*	*1 709 299*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**77**	**297 900 897**	**1 068**	**341 196 237**	**1.34%**	**1.54%**
ERDF	*64*	*295 707 983*	*910*	*322 189 557*	*1.85%*	*2.02%*
ESF	*13*	*2 192 915*	*158*	*19 006 679*	*0.04%*	*0.31%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	306	15	321	5%
Irregularities reported as fraudulent 2012-16*	136	2	138	1%

* Includes different programming periods

Cyprus - Κύπρος

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	7	332 446	0	0	1.26%

2. Natural Resources

Irregularities reported in 2016

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

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	81 332	19	939 181	0.03%	0.35%
EAFRD	4	170 890	26	801 282	0.17%	0.80%
EAGF/EAFRD						
TOTAL	**6**	**252 222**	**45**	**1 740 463**	**0.07%**	**0.47%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	0		0	#DIV/0!
Irregularities reported as fraudulent 2012-16	6		6	0%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**6**	**265 074**	**n/r**	**n/r**
CF			*1*	*15 666*	*n/r*	*n/r*
ERDF			*2*	*32 425*	*n/r*	*n/r*
ESF			*3*	*216 983*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**5**	**328 774**	**24**	**1 136 238**	**0.06%**	**0.20%**
CF			*1*	*15 666*	*0.00%*	*0.01%*
ERDF	*3*	*315 249*	*13*	*257 548*	*0.12%*	*0.10%*
ESF	*2*	*13 526*	*10*	*863 024*	*0.01%*	*0.76%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	3	1	4	25%
Irregularities reported as fraudulent 2012-16	4	1	5	20%

Latvia - Latvija

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	12	661 068	15	2 523 277	7.35%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF					0.00%	0.00%
EAFRD	12	987 285	15	620 012	0.57%	0.36%
EAGF/EAFRD						
TOTAL	**12**	**987 285**	**15**	**620 012**	**0.27%**	**0.17%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			2	21 143	0.00%	0.00%
EAFRD	34	2 365 281	113	3 611 278	0.35%	0.53%
EAGF/EAFRD						
TOTAL	**34**	**2 365 281**	**115**	**3 632 422**	**0.16%**	**0.25%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	5	2	7	29%
Irregularities reported as fraudulent 2012-16	32	2	34	6%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**12**	**10 601 187**	**175**	**40 042 783**	**n/r**	**n/r**
CF			*54*	*21 230 882*	*n/r*	*n/r*
ERDF	*12*	*10 601 187*	*118*	*18 452 091*	*n/r*	*n/r*
ESF			*3*	*359 810*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**88**	**41 617 498**	**498**	**99 930 147**	**0.97%**	**2.32%**
CF	*1*	*504*	*67*	*22 307 584*	*0.00%*	*1.53%*
ERDF	*76*	*41 460 542*	*380*	*71 937 875*	*1.81%*	*3.15%*
ESF	*11*	*156 451*	*51*	*5 684 689*	*0.03%*	*1.03%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	40	6	46	13%
Irregularities reported as fraudulent 2012-16	74	8	82	10%

* Includes different programming periods

Lithuania - Lietuva

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	10	266 102	16	1 055 777	1.36%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			18	270 522	0.00%	0.06%
EAFRD	11	2 087 218	74	4 308 426	0.76%	1.56%
EAGF/EAFRD						
TOTAL	**11**	**2 087 218**	**92**	**4 578 948**	**0.29%**	**0.64%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			138	5 725 135	0.00%	0.30%
EAFRD	37	13 319 249	480	61 950 748	1.24%	5.77%
EAGF/EAFRD						
TOTAL	**37**	**13 319 249**	**618**	**67 675 883**	**0.45%**	**2.26%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	5		5	0%
Irregularities reported as fraudulent 2012-16	37		37	0%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**3**	**359 879**	**28**	**3 707 610**	**n/r**	**n/r**
CF					*n/r*	*n/r*
ERDF	*1*	*110 589*	*19*	*3 480 388*	*n/r*	*n/r*
ESF	*2*	*249 290*	*9*	*227 222*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**14**	**1 818 634**	**493**	**126 185 765**	**0.03%**	**1.96%**
CF	*4*	*732 148*	*155*	*87 299 870*	*0.03%*	*3.99%*
ERDF	*5*	*526 379*	*308*	*37 729 768*	*0.02%*	*1.15%*
ESF	*5*	*560 108*	*30*	*1 156 126*	*0.06%*	*0.12%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	12		12	0%
Irregularities reported as fraudulent 2012-16	8	2	10	20%

* Includes different programming periods

Luxembourg

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	0	0	0	0	0.00%

2. Natural Resources

Irregularities reported in 2016

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

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			1	8 046	0.00%	0.00%
EAFRD	1	252 050			0.57%	0.00%
EAGF/EAFRD						
TOTAL	**1**	**252 050**	**1**	**8 046**	**0.12%**	**0.00%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	1		1	0%
Irregularities reported as fraudulent 2012-16	1		1	0%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**0**	**0**	**n/r**	**n/r**
ERDF					*n/r*	*n/r*
ESF					*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**0**	**0**	**8**	**210 788**	**0.00%**	**0.44%**
ERDF					*0.00%*	*0.00%*
ESF			*8*	*210 788*	*0.00%*	*0.88%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13			0	#DIV/0!
Irregularities reported as fraudulent 2012-16			0	#DIV/0!

Hungary - Magyarország

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	2	88 762	14	4 126 454	2.37%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	9	813 620	28	1 867 952	0.06%	0.14%
EAFRD	15	340 538	130	4 566 455	0.10%	1.33%
EAGF/EAFRD						
TOTAL	**24**	**1 154 158**	**158**	**6 434 407**	**0.07%**	**0.39%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	42	8 305 217	602	10 236 723	0.13%	0.16%
EAFRD	211	11 837 708	863	39 446 980	0.54%	1.79%
EAGF/EAFRD						
TOTAL	**253**	**20 142 925**	**1465**	**49 683 703**	**0.23%**	**0.57%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	66	7	73	10%
Irregularities reported as fraudulent 2012-16	248	5	253	2%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**21**	**1 844 119**	**555**	**105 640 932**	**n/r**	**n/r**
CF			*32*	*8 354 209*	*n/r*	*n/r*
ERDF	*20*	*1 734 979*	*456*	*83 907 163*	*n/r*	*n/r*
ESF	*1*	*109 140*	*67*	*13 379 559*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**83**	**7 179 221**	**1 582**	**225 870 845**	**0.03%**	**1.03%**
CF	*2*	*126 056*	*125*	*31 456 305*	*0.00%*	*0.39%*
ERDF	*68*	*5 867 134*	*1 248*	*164 378 880*	*0.05%*	*1.49%*
ESF	*13*	*1 186 031*	*209*	*30 035 660*	*0.04%*	*1.02%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	12		12	0%
Irregularities reported as fraudulent 2012-16	79		79	0%

* Includes different programming periods

Malta

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	1	167 040	0	0	1.11%

2. Natural Resources

Irregularities reported in 2016

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

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			1	75 099	0.00%	0.27%
EAFRD	6	175 628	10	206 044	0.39%	0.46%
EAGF/EAFRD						
TOTAL	**6**	**175 628**	**11**	**281 143**	**0.24%**	**0.39%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	5		5	0%
Irregularities reported as fraudulent 2012-16	6		6	0%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**13**	**10 955 650**	**n/r**	**n/r**
CF			*2*	*10 601 108*	*n/r*	*n/r*
ERDF			*3*	*120 049*	*n/r*	*n/r*
ESF			*8*	*234 494*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**15**	**266 825**	**58**	**13 429 938**	**0.04%**	**1.96%**
CF			*5*	*10 704 824*	*0.00%*	*4.74%*
ERDF	*15*	*266 825*	*37*	*2 306 126*	*0.07%*	*0.63%*
ESF			*16*	*418 988*	*0.00%*	*0.46%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	14		14	0%
Irregularities reported as fraudulent 2012-16	15		15	0%

Netherlands - Nederland

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	6	261 626	517	147 056 822	4.96%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			25	967 117	0.00%	0.12%
EAFRD			19	357 209	0.00%	0.49%
EAGF/EAFRD						
TOTAL	**0**	**0**	**44**	**1 324 326**	**0.00%**	**0.15%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	4	53 250 160	272	20 881 118	1.23%	0.48%
EAFRD			291	9 388 976	0.00%	2.24%
EAGF/EAFRD						
TOTAL	**4**	**53 250 160**	**563**	**30 270 094**	**1.12%**	**0.64%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	5		5	0%
Irregularities reported as fraudulent 2012-16	2	2	4	50%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**2**	**0**	**19**	**2 704 536**	**n/r**	**n/r**
ERDF			*14*	*386 731*	*n/r*	*n/r*
ESF	*2*		*5*	*2 317 805*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**12**	**3 903 370**	**286**	**25 845 430**	**0.26%**	**1.71%**
ERDF			*234*	*17 894 787*	*0.00%*	*2.44%*
ESF	*12*	*3 903 370*	*52*	*7 950 643*	*0.50%*	*1.02%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	2		2	0%
Irregularities reported as fraudulent 2012-16	12		12	0%

* Includes different programming periods

Austria - Österreich

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	14	5 716 261	47	10 535 675	6.07%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	13 000			0.00%	0.00%
EAFRD	1	14 444	10	257 725	0.00%	0.04%
EAGF/EAFRD						
TOTAL	**2**	**27 444**	**10**	**257 725**	**0.00%**	**0.02%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	4	43 030	33	917 774	0.00%	0.03%
EAFRD	5	44 206	50	975 737	0.00%	0.04%
EAGF/EAFRD						
TOTAL	**9**	**87 236**	**83**	**1 893 511**	**0.00%**	**0.03%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	9	1	10	10%
Irregularities reported as fraudulent 2012-16	8	1	9	11%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**33**	**2 143 370**	**n/r**	**n/r**
ERDF			*18*	*778 042*	*n/r*	*n/r*
ESF			*15*	*1 365 328*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**7**	**1 155 265**	**271**	**21 267 967**	**0.11%**	**1.94%**
ERDF	*6*	*1 144 354*	*221*	*18 753 828*	*0.19%*	*3.15%*
ESF	*1*	*10 911*	*50*	*2 514 139*	*0.00%*	*0.50%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	8	1	9	11%
Irregularities reported as fraudulent 2012-16	1	1	2	50%

* Includes different programming periods

Poland - Polska

1. Traditional Own Resources					
Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	92	3 101 717	74	4 084 106	0.97%

2. Natural Resources						
Irregularities reported in 2016						
Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	26	5 882 034	15	902 353	0.16%	0.03%
EAFRD	71	7 138 919	302	20 816 554	0.65%	1.88%
EAGF/EAFRD						
TOTAL	**97**	**13 020 953**	**317**	**21 718 907**	**0.28%**	**0.46%**
Irregularities reported 2012-2016						
Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	117	41 444 983	236	16 124 608	0.25%	0.10%
EAFRD	227	13 863 075	1 041	38 863 498	0.17%	0.49%
EAGF/EAFRD	2	145 420	7	184 558		
TOTAL	**346**	**55 453 478**	**1284**	**55 172 664**	**0.23%**	**0.23%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	144	29	173	17%
Irregularities reported as fraudulent 2012-16	316	30	346	9%

3. Cohesion Policy						
Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**52**	**32 314 357**	**1 062**	**302 590 368**	**n/r**	**n/r**
CF			*36*	*8 962 205*	*n/r*	*n/r*
ERDF	*36*	*30 460 673*	*972*	*288 812 907*	*n/r*	*n/r*
ESF	*16*	*1 853 685*	*54*	*4 815 256*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**273**	**394 668 263**	**5 017**	**1 121 191 504**	**0.62%**	**1.76%**
CF	*8*	*166 033 161*	*201*	*251 040 834*	*0.78%*	*1.18%*
ERDF	*214*	*221 040 852*	*4 288*	*826 879 323*	*0.67%*	*2.51%*
ESF	*51*	*7 594 249*	*528*	*43 271 347*	*0.08%*	*0.46%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	139	16	155	10%
Irregularities reported as fraudulent 2012-16*	211	13	224	6%

* Includes different programming periods

Portugal

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	0	0	15	6 461 250	3.73%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	59 665	43	1 387 364	0.01%	0.18%
EAFRD	2	5 974 172	416	17 339 515	0.80%	2.32%
EAGF/EAFRD						
TOTAL	**4**	**6 033 837**	**459**	**18 726 879**	**0.40%**	**1.24%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	5	1 987 116	325	7 021 763	0.05%	0.19%
EAFRD	12	6 556 785	944	41 259 941	0.22%	1.36%
EAGF/EAFRD						
TOTAL	**17**	**8 543 901**	**1269**	**48 281 704**	**0.13%**	**0.71%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	2	1	3	33%
Irregularities reported as fraudulent 2012-16	14	3	17	18%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**6**	**8 325 565**	**156**	**10 846 380**	**n/r**	**n/r**
CF			*13*	*907 078*	*n/r*	*n/r*
ERDF	*5*	*8 051 757*	*82*	*7 717 424*	*n/r*	*n/r*
ESF	*1*	*273 808*	*61*	*2 221 877*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**33**	**89 457 385**	**812**	**114 346 984**	**0.44%**	**0.56%**
CF	*1*	*91 452*	*76*	*7 355 299*	*0.00%*	*0.25%*
ERDF	*14*	*67 959 513*	*422*	*92 386 298*	*0.62%*	*0.85%*
ESF	*18*	*21 406 419*	*314*	*14 605 388*	*0.33%*	*0.22%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	62	1	63	2%
Irregularities reported as fraudulent 2012-16	31		31	0%

* Includes different programming periods

Romania - România

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	16	2 943 686	41	3 243 332	3.03%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	47	1 226 209	205	11 106 728	0.08%	0.71%
EAFRD	61	12 781 475	399	30 262 398	1.12%	2.65%
EAGF/EAFRD						
TOTAL	**108**	**14 007 684**	**604**	**41 369 126**	**0.52%**	**1.53%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	169	17 069 014	834	134 961 491	0.26%	2.05%
EAFRD	209	117 617 072	2 411	522 130 345	2.12%	9.43%
EAGF/EAFRD						
TOTAL	**378**	**134 686 086**	**3245**	**657 091 836**	**1.11%**	**5.42%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	103	8	111	7%
Irregularities reported as fraudulent 2012-16	320	58	378	15%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**93**	**47 678 111**	**522**	**101 605 519**	**n/r**	**n/r**
CF			*60*	*23 655 834*	*n/r*	*n/r*
ERDF	*86*	*47 015 925*	*294*	*66 546 471*	*n/r*	*n/r*
ESF	*7*	*662 186*	*168*	*11 403 214*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**233**	**138 338 305**	**1 814**	**375 185 388**	**1.04%**	**2.82%**
CF	*3*	*21 431 333*	*291*	*144 271 328*	*0.44%*	*2.97%*
ERDF	*161*	*106 782 177*	*959*	*194 002 217*	*1.75%*	*3.18%*
ESF	*69*	*10 124 795*	*564*	*36 911 842*	*0.43%*	*1.56%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	61	1	62	2%
Irregularities reported as fraudulent 2012-16	226	2	228	1%

Slovenia - Slovenija

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	0	0	1	25 222	0.03%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF					0.00%	0.00%
EAFRD			11	429 072	0.00%	0.33%
EAGF/EAFRD						
TOTAL	**0**	**0**	**11**	**429 072**	**0.00%**	**0.16%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	9	427 838	10	404 306	0.06%	0.06%
EAFRD	5	785 522	62	1 586 511	0.15%	0.30%
EAGF/EAFRD						
TOTAL	**14**	**1 213 360**	**72**	**1 990 816**	**0.10%**	**0.16%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	13	1	14	7%
Irregularities reported as fraudulent 2012-16	14		14	0%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**2**	**660 070**	**42**	**4 348 776**	**n/r**	**n/r**
CF	*1*	*491 175*	*5*	*1 643 083*	*n/r*	*n/r*
ERDF	*1*	*168 895*	*23*	*2 276 680*	*n/r*	*n/r*
ESF			*14*	*429 013*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**27**	**26 233 107**	**247**	**49 183 075**	**0.67%**	**1.26%**
CF	*1*	*491 175*	*23*	*10 797 731*	*0.04%*	*0.81%*
ERDF	*20*	*25 611 773*	*152*	*34 530 631*	*1.39%*	*1.88%*
ESF	*6*	*130 159*	*72*	*3 854 713*	*0.02%*	*0.54%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	7	5	12	42%
Irregularities reported as fraudulent 2012-16	17	6	23	26%

Slovakia - Slovensko

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	3	707 196	13	292 640	0.81%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	1 483	9	147 109	0.00%	0.03%
EAFRD			25	2 084 021	0.00%	1.00%
EAGF/EAFRD			1	21 183		
TOTAL	**1**	**1 483**	**35**	**2 252 313**	**0.00%**	**0.35%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	1 483	29	680 385	0.00%	0.03%
EAFRD	23	6 853 089	154	15 549 432	0.75%	1.69%
EAGF/EAFRD			2	39 994		
TOTAL	**24**	**6 854 573**	**185**	**16 269 811**	**0.24%**	**0.57%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	4	1	5	20%
Irregularities reported as fraudulent 2012-16	24		24	0%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**96**	**81 982 989**	**496**	**440 010 367**	**n/r**	**n/r**
CF	*7*	*10 006 365*	*70*	*301 281 433*	*n/r*	*n/r*
ERDF	*67*	*60 579 925*	*291*	*119 792 572*	*n/r*	*n/r*
ESF	*22*	*11 396 700*	*135*	*18 936 362*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**162**	**139 777 430**	**1 696**	**1 087 574 138**	**1.43%**	**11.10%**
CF	*13*	*14 482 445*	*212*	*549 694 667*	*0.42%*	*15.81%*
ERDF	*98*	*104 174 864*	*965*	*478 237 779*	*2.11%*	*9.71%*
ESF	*51*	*21 120 122*	*519*	*59 641 692*	*1.52%*	*4.28%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	31	5	36	14%
Irregularities reported as fraudulent 2012-16*	141	9	150	6%

* Includes different programming periods

Finland – Suomi-Finland

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	6	119 457	34	2 000 001	1.27%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF					0.00%	0.00%
EAFRD			21	390 814	0.00%	0.09%
EAGF/EAFRD						
TOTAL	**0**	**0**	**21**	**390 814**	**0.00%**	**0.04%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			18	618 135	0.00%	0.02%
EAFRD			67	1 317 279	0.00%	0.09%
EAGF/EAFRD						
TOTAL	**0**	**0**	**85**	**1 935 415**	**0.00%**	**0.05%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	0		0	#DIV/0!
Irregularities reported as fraudulent 2012-16	0		0	#DIV/0!

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**17**	**366 745**	**n/r**	**n/r**
ERDF			*13*	*193 689*	*n/r*	*n/r*
ESF			*4*	*173 056*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**1**	**179 375**	**73**	**2 649 237**	**0.01%**	**0.17%**
ERDF	*1*	*179 375*	*52*	*1 823 629*	*0.02%*	*0.20%*
ESF			*21*	*825 609*	*0.00%*	*0.14%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	3	1	4	25%
Irregularities reported as fraudulent 2012-16*	2		2	0%

* Includes different programming periods

Sweden - Sverige

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	2	101 720	96	6 360 043	1.01%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1				0.00%	0.00%
EAFRD			4	93 164	0.00%	0.04%
EAGF/EAFRD						
TOTAL	**1**	**0**	**4**	**93 164**	**0.00%**	**0.01%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	2	71 429	39	6 905 816	0.00%	0.20%
EAFRD	4	436 273	103	29 714 251	0.04%	2.74%
EAGF/EAFRD			1	534 806		
TOTAL	**6**	**507 702**	**143**	**37 154 873**	**0.01%**	**0.81%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	6		6	0%
Irregularities reported as fraudulent 2012-16	6		6	0%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**0**	**0**	**5**	**212 081**	**n/r**	**n/r**
ERDF			*4*	*188 447*	*n/r*	*n/r*
ESF			*1*	*23 634*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**4**	**66 797**	**139**	**7 002 764**	**0.00%**	**0.45%**
ERDF	*2*	*29 027*	*92*	*5 027 432*	*0.00%*	*0.57%*
ESF	*2*	*37 770*	*47*	*1 975 333*	*0.01%*	*0.30%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	3		3	0%
Irregularities reported as fraudulent 2012-16	3		3	0%

* Includes different programming periods

United Kingdom

1. Traditional Own Resources

Reporting Year 2015	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	9	297 577	824	89 063 434	2.26%

2. Natural Resources

Irregularities reported in 2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			10	113 997	0.00%	0.00%
EAFRD	3	80 766	37	1 265 774	0.01%	0.15%
EAGF/EAFRD						
TOTAL	**3**	**80 766**	**47**	**1 379 771**	**0.00%**	**0.03%**

Irregularities reported 2012-2016

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	4	377 449	197	4 054 505	0.00%	0.03%
EAFRD	14	484 244	264	5 751 366	0.01%	0.16%
EAGF/EAFRD						
TOTAL	**18**	**861 693**	**461**	**9 805 871**	**0.00%**	**0.05%**

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	8	2	10	20%
Irregularities reported as fraudulent 2012-16	14	4	18	22%

3. Cohesion Policy

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2016	**5**	**1 360 168**	**616**	**37 839 997**	**n/r**	**n/r**
ERDF	*2*	*43 633*	*375*	*20 722 162*	*n/r*	*n/r*
ESF	*3*	*1 316 535*	*241*	*17 117 834*	*n/r*	*n/r*
Programming Period 2007-13 - cumulative	**46**	**11 399 414**	**3 175**	**201 562 333**	**0.13%**	**2.32%**
ERDF	*21*	*2 408 293*	*1 869*	*116 409 182*	*0.05%*	*2.44%*
ESF	*25*	*8 991 121*	*1 306*	*85 153 151*	*0.23%*	*2.17%*

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13*	40	8	48	17%
Irregularities reported as fraudulent 2012-16*	36	1	37	3%

* Includes different programming periods

ANNEXES

ANNEX 1

MS	TOR: Total number of fraudulent and non-fraudulent cases with the related estimated and established amount 2012-2016									
	2012		2013		2014		2015		2016	
	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR
BE	205	58,319,281	185	44,082,859	147	19,188,336	245	15,194,552	203	15,941,375
BG	15	371,562	31	1,177,920	28	9,197,704	27	745,534	13	488,717
CZ	74	2,888,811	57	3,059,992	83	11,731,780	72	3,489,078	82	5,438,665
DK	60	4,935,330	42	2,326,405	71	5,352,853	91	7,581,470	78	12,302,250
DE	1,736	112,980,721	1,823	124,135,259	1,779	99,962,695	2,132	140,894,022	1,582	72,316,067
EE	5	117,895	4	1,439,374	8	249,167	9	247,557	4	63,879
IE	33	3,312,477	23	1,996,250	28	4,313,814	32	3,340,624	31	5,007,046
EL	64	7,952,936	35	3,817,406	48	12,188,688	57	16,692,582	38	14,193,563
ES	455	41,214,398	388	30,816,723	412	50,410,273	318	25,021,989	284	44,553,730
FR	343	24,594,121	371	25,496,974	424	47,872,269	372	29,510,094	317	50,129,021
HR			8	155,090	10	817,386	14	1,198,497	17	931,788
IT	235	18,981,098	274	27,622,796	155	62,508,566	152	14,017,543	111	23,783,199
CY	4	167,393	15	1,057,620	11	162,729	4	127,072	7	332,446
LV	29	2,756,706	20	1,043,657	27	1,838,210	30	1,995,004	27	3,184,345
LT	37	750,695	46	2,603,287	49	2,892,165	47	1,325,639	26	1,321,879
LU	0	0	0	0	0	0	0	0	0	0
HU	38	989,589	45	1,243,659	86	2,192,431	27	1,058,841	16	4,215,216
MT	3	447,667	4	444,171	4	1,466,945	5	623,612	1	167,040
NL	531	83,171,927	433	39,843,332	394	43,199,356	458	109,674,374	523	147,318,448
AT	57	2,977,444	63	2,598,048	81	6,389,271	74	3,783,639	61	16,251,936
PL	137	4,264,639	107	8,252,060	213	10,891,733	129	5,161,022	166	7,185,823
PT	25	1,045,111	31	1,869,964	58	3,652,681	22	3,764,190	15	6,461,250
RO	62	30,964,134	80	4,424,446	75	7,466,661	93	8,427,875	57	6,187,018
SI	23	694,717	13	382,986	19	1,201,576	12	446,511	1	25,222
SK	20	1,562,308	8	1,744,504	35	1,753,766	9	592,183	16	999,836
FI	35	3,594,054	43	2,505,185	35	1,446,295	38	1,739,021	40	2,119,459
SE	58	6,319,584	63	10,841,880	71	4,197,000	76	3,189,706	98	6,461,763
UK	1,024	64,163,322	1,178	77,514,445	1,197	72,431,915	969	45,353,460	833	89,361,012
TOTAL	**5,308**	**479,537,920**	**5,390**	**422,496,292**	**5,548**	**484,976,265**	**5,514**	**445,195,690**	**4,647**	**536,741,991**

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: Total number of fraudulent cases with the related estimated and established amount 2012-2016									
	2012		2013		2014		2015		2016	
	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR
BE	38	49,475,291	38	35,280,252	26	13,175,503	43	7,501,342	36	9,261,635
BG	10	87,135	17	324,233	24	9,060,924	23	648,683	11	436,567
CZ	0	0	3	27,195	0	0	2	44,774	2	140,600
DK	8	776,806	4	714,341	2	698,402	6	4,012,918	5	8,581,374
DE	193	8,761,247	194	14,937,925	143	14,982,689	158	29,195,606	93	5,112,337
EE	0	0	0	0	2	108,304	5	134,899	1	0
IE	5	1,774,699	4	519,759	4	2,249,080	8	1,544,668	3	445,574
EL	63	7,930,165	32	3,768,336	35	9,953,507	34	13,390,124	30	5,594,313
ES	337	34,891,132	144	14,237,412	121	33,845,262	75	4,956,829	42	2,972,087
FR	79	8,035,738	110	7,109,328	134	33,861,348	100	15,353,630	83	28,785,027
HR	0	0	5	98,812	8	683,949	5	439,024	5	342,006
IT	92	9,541,015	138	12,311,232	51	54,371,321	40	5,689,688	22	6,548,191
CY	0	0	1	76,603	2	22,192	3	112,709	7	332,446
LV	9	842,780	12	535,709	20	987,566	18	1,616,073	12	661,068
LT	13	379,512	24	2,117,232	14	712,907	17	559,196	10	266,102
LU	0	0	0	0	0	0	0	0	0	0
HU	3	65,386	5	90,861	8	189,941	5	184,769	2	88,762
MT	2	280,627	4	444,171	3	1,391,777	1	18,961	1	167,040
NL	10	488,158	19	951,905	7	414,169	0	0	6	261,626
AT	10	656,607	13	252,298	23	3,627,369	9	875,184	14	5,716,261
PL	24	786,133	17	2,514,843	37	3,507,557	59	1,789,473	92	3,101,717
PT	1	133,128	1	108,890	4	454,899	4	508,718	0	0
RO	19	1,850,979	15	283,216	14	449,240	21	1,086,817	16	2,943,686
SI	5	381,597	5	155,419	13	1,067,985	3	139,295	0	0
SK	1	46,323	0	0	3	256,714	3	117,282	3	707,196
FI	11	483,321	5	349,402	3	74,840	6	412,415	6	119,457
SE	0	0	1	12,380	3	236,247	0	0	2	101,720
UK	26	3,493,747	24	2,486,202	44	2,311,565	42	982,331	9	297,577
TOTAL	**959**	**131,161,524**	**835**	**99,707,957**	**748**	**188,695,258**	**690**	**91,315,407**	**513**	**82,984,368**

ANNEX 3

MS	TOR: Total number of non-fraudulent cases with the related estimated and established amount 2012-2016									
	2012		2013		2014		2015		2016	
	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR
BE	167	8,843,990	147	8,802,607	121	6,012,833	202	7,693,210	167	6,679,740
BG	5	284,427	14	853,688	4	136,779	4	96,851	2	52,150
CZ	74	2,888,811	54	3,032,798	83	11,731,780	70	3,444,303	80	5,298,065
DK	52	4,158,524	38	1,612,065	69	4,654,451	85	3,568,553	73	3,720,877
DE	1,543	104,219,474	1,629	109,197,334	1,636	84,980,005	1,974	111,698,415	1,489	67,203,731
EE	5	117,895	4	1,439,374	6	140,863	4	112,658	3	63,879
IE	28	1,537,778	19	1,476,491	24	2,064,734	24	1,795,956	28	4,561,472
EL	1	22,771	3	49,070	13	2,235,181	23	3,302,458	8	8,599,250
ES	118	6,323,266	244	16,579,311	291	16,565,011	243	20,065,160	242	41,581,643
FR	264	16,558,383	261	18,387,646	290	14,010,921	272	14,156,465	234	21,343,994
HR	0	0	3	56,279	2	133,437	9	759,473	12	589,781
IT	143	9,440,083	136	15,311,564	104	8,137,245	112	8,327,855	89	17,235,008
CY	4	167,393	14	981,017	9	140,537	1	14,363	0	0
LV	20	1,913,927	8	507,947	7	850,644	12	378,930	15	2,523,277
LT	24	371,183	22	486,055	35	2,179,258	30	766,443	16	1,055,777
LU	0	0	0	0	0	0	0	0	0	0
HU	35	924,202	40	1,152,798	78	2,002,491	22	874,072	14	4,126,454
MT	1	167,040	0	0	1	75,168	4	604,651	0	0
NL	521	82,683,769	414	38,891,427	387	42,785,187	458	109,674,374	517	147,056,822
AT	47	2,320,837	50	2,345,750	58	2,761,902	65	2,908,455	47	10,535,675
PL	113	3,478,506	90	5,737,218	176	7,384,176	70	3,371,549	74	4,084,106
PT	24	911,983	30	1,761,074	54	3,197,782	18	3,255,472	15	6,461,250
RO	43	29,113,156	65	4,141,230	61	7,017,421	72	7,341,058	41	3,243,332
SI	18	313,120	8	227,567	6	133,591	9	307,216	1	25,222
SK	19	1,515,985	8	1,744,504	32	1,497,052	6	474,901	13	292,640
FI	24	3,110,733	38	2,155,783	32	1,371,455	32	1,326,606	34	2,000,001
SE	58	6,319,584	62	10,829,499	68	3,960,753	76	3,189,706	96	6,360,043
UK	998	60,669,575	1,154	75,028,243	1,153	70,120,349	927	44,371,129	824	89,063,434
TOTAL	**4,349**	**348,376,396**	**4,555**	**322,788,335**	**4,800**	**296,281,007**	**4,824**	**353,880,283**	**4,134**	**453,757,623**

ANNEX 4

MS	TOR: Percentage of the financial impact of OWNRES cases to the collected and made avialable TOR (gross) in 2016 per Member State						
	Gross amount TOR collected (A account)	All		Fraudulent		Non-fraudulent	
		OWNRES established and estimated amount	Percentage OWNRES/gross TOR	OWNRES established and estimated amount	Percentage OWNRES/gross TOR	OWNRES established and estimated amount	Percentage OWNRES/gross TOR
	EUR	EUR	%	EUR	%	EUR	%
BE	2,588,497,872	15,941,375	0.62%	9,261,635	0.36%	6,679,740	0.26%
BG	89,936,823	488,717	0.54%	436,567	0.49%	52,150	0.06%
CZ	313,811,270	5,438,665	1.73%	140,600	0.04%	5,298,065	1.69%
DK	420,313,639	12,302,250	2.93%	8,581,374	2.04%	3,720,877	0.89%
DE	5,186,809,184	72,316,067	1.39%	5,112,337	0.10%	67,203,731	1.30%
EE	34,143,556	63,879	0.19%	0	0.00%	63,879	0.19%
IE	356,381,933	5,007,046	1.40%	445,574	0.13%	4,561,472	1.28%
EL	197,979,939	14,193,563	7.17%	5,594,313	2.83%	8,599,250	4.34%
ES	1,890,050,087	44,553,730	2.36%	2,972,087	0.16%	41,581,643	2.20%
FR	2,045,650,729	50,129,021	2.45%	28,785,027	1.41%	21,343,994	1.04%
HR	58,321,707	931,788	1.60%	342,006	0.59%	589,781	1.01%
IT	2,235,484,905	23,783,199	1.06%	6,548,191	0.29%	17,235,008	0.77%
CY	26,357,565	332,446	1.26%	332,446	1.26%		0.00%
LV	43,351,192	3,184,345	7.35%	661,068	1.52%	2,523,277	5.82%
LT	96,925,396	1,321,879	1.36%	266,102	0.27%	1,055,777	1.09%
LU	24,430,243	-	0.00%	0	0.00%	0	0.00%
HU	177,894,323	4,215,216	2.37%	88,762	0.05%	4,126,454	2.32%
MT	15,067,694	167,040	1.11%	167,040	1.11%		0.00%
NL	2,967,179,005	147,318,448	4.96%	261,626	0.01%	147,056,822	4.96%
AT	267,522,009	16,251,936	6.07%	5,716,261	2.14%	10,535,675	3.94%
PL	739,115,287	7,185,823	0.97%	3,101,717	0.42%	4,084,106	0.55%
PT	173,005,805	6,461,250	3.73%		0.00%	6,461,250	3.73%
RO	204,022,260	6,187,018	3.03%	2,943,686	1.44%	3,243,332	1.59%
SI	82,223,513	25,222	0.03%		0.00%	25,222	0.03%
SK	123,886,163	999,836	0.81%	707,196	0.57%	292,640	0.24%
FI	166,430,872	2,119,459	1.27%	119,457	0.07%	2,000,001	1.20%
SE	641,501,996	6,461,763	1.01%	101,720	0.02%	6,360,043	0.99%
UK	3,951,352,805	89,361,012	2.26%	297,577	0.01%	89,063,434	2.25%
Total	**25,117,647,775**	**536,741,992**	**2.14%**	**82,984,369**	**0.33%**	**453,757,623**	**1.81%**

ANNEX 5

MS	TOR: Recovery rates (RR) per cut-off date					
	2015			2016		
	Established amount	Recovered amount	RR	Established amount	Recovered amount	RR
	EUR	EUR	%	EUR	EUR	%
	1	2	3=2/1	1	2	3=2/1
BE	13,081,299	9,689,203	74%	13,307,195	8,789,067	66%
BG	679,696	320,590	47%	317,821	63,108	20%
CZ	3,489,078	2,416,179	69%	5,438,665	4,773,439	88%
DK	7,581,470	5,092,619	67%	12,302,250	2,545,462	21%
DE	140,826,077	111,274,465	79%	72,290,586	66,293,458	92%
EE	247,557	156,460	63%	63,879	63,879	100%
IE	1,795,956	1,704,749	95%	4,561,472	2,912,051	64%
EL	3,706,175	528,464	14%	8,951,578	20,387	0%
ES	23,115,147	18,819,357	81%	43,234,529	16,961,094	39%
FR	28,435,091	17,756,649	62%	49,268,291	13,218,090	27%
HR	840,075	602,734	72%	918,343	325,185	35%
IT	13,809,053	6,060,254	44%	23,465,049	2,723,357	12%
CY	127,072	14,439	11%	332,446	59,925	18%
LV	1,995,004	230,086	12%	3,184,345	1,755,940	55%
LT	1,325,639	647,985	49%	1,321,879	615,147	47%
LU	0	0	0%	0	0	0%
HU	1,058,841	988,936	93%	4,215,216	736,490	17%
MT	623,612	479,241	77%	0	0	0%
NL	109,316,803	27,615,002	25%	147,131,802	28,474,143	19%
AT	3,783,639	3,394,427	90%	16,251,936	10,741,388	66%
PL	5,144,972	1,609,834	31%	7,185,823	1,823,197	25%
PT	3,290,243	531,707	16%	6,461,250	236,010	4%
RO	8,427,875	3,606,740	43%	6,187,018	2,125,746	34%
SI	446,511	301,927	68%	25,222	25,222	100%
SK	592,183	494,642	84%	999,836	432,958	43%
FI	1,739,021	1,634,962	94%	2,091,811	1,748,519	84%
SE	3,189,706	3,189,706	100%	6,360,043	6,183,339	97%
UK	44,371,129	36,412,779	82%	89,081,202	31,721,398	36%
TOTAL	**423,038,926**	**255,574,138**	**60%**	**524,949,485**	**205,368,000**	**39%**

ANNEX 6

MS	TOR: Estimated and established amount per customs procedure per Member State 2016									
	Fraudulent					Non-fraudulent				
	Release for free circualtion	Transit	Customs warehousing	Inward processing	Other	Release for free circualtion	Transit	Customs warehousing	Inward processing	Other
BE	9,084,740	22,468	93,464		60,963	5,264,998	362,701	534,453	421,709	95,879
BG	196,881	239,685				39,966	12,184			
CZ	140,600					5,222,631			75,434	
DK	8,581,374					3,324,406	54,420	39,749	302,302	
DE	4,680,087	303,999			128,251	54,959,370	383,702	4,737,796	6,475,707	647,155
EE	0					63,879				
IE					445,574	2,776,591			1,738,070	46,811
EL	1,087,506	247,454			4,259,353	522,610		8,076,640		
ES	2,972,087					18,493,078	23,806	16,840,583	6,224,176	
FR	25,760,003	1,745,665	66,526	155,295	1,057,538	19,256,334	210,453	97,497	1,631,655	148,055
HR	57,634	284,373				589,781				
IT	5,220,659	1,327,532				17,075,413			159,595	
CY	332,446									
LV	594,190				66,878	2,490,959	32,318			
LT	19,346	85,594			161,162	1,009,075	42,048		4,654	
LU										
HU	88,762					4,126,454				
MT					167,040					
NL	98,413	127,535		35,678		89,957,050	754,255	56,111,351	234,166	
AT	5,716,261					3,104,231	66,649		7,315,604	49,192
PL	1,898,159	1,131,625			71,933	2,940,734	393,713		31,950	717,709
PT						6,446,873			14,377	
RO	1,779,270	1,137,508			26,907	2,769,246			204,279	269,807
SI						25,222				
SK	707,196					292,640				
FI	74,579				44,878	1,401,291			556,793	41,918
SE	101,720					6,250,635			109,408	
UK	297,577					79,463,284	140,375	14,659	9,421,037	24,080
Total	**69,489,490**	**6,653,439**	**159,990**	**190,973**	**6,490,477**	**327,866,750**	**2,476,624**	**86,452,727**	**34,920,916**	**2,040,606**

ANNEX 7

	TOR: Method of detection by number of cases per Member State 2016														
MS	N	Fraudulent							Non-fraudulent						
		All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other	All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other
BE	203	36	7	2	25			2	167	44	85	15	1	13	9
BG	13	11	2	9					2		2				
CZ	82	2	1		1				80	5	51	5		19	
DK	78	5	1	3	1				73	29	34			3	7
DE	1,582	93	19	8	52	9		5	1,489	151	682	6	302	316	32
EE	4	1		1					3		3				
IE	31	3			3				28	3	5	3	11	3	3
EL	38	30	15		4			11	8	2	3	3			
ES	284	42	12	1	14	13		2	242	83	45	16	66	27	5
FR	317	83	35	25	22		1		234	72	93	56		13	
HR	17	5	2	3					12	2	10				
IT	111	22	6	5	6	1		4	89	16	46	22	1	2	2
CY	7	7		2				5	0						
LV	27	12	11		1				15		10		4	1	
LT	26	10	5	1	4				16	2	14				
LU	0	0							0						
HU	16	2		2					14	1	13				
MT	1	1	1						0						
NL	523	6	1	5					517	89	364			64	
AT	61	14		5	7			2	47	5	24			12	6
PL	166	92	13	73				6	74	16	42	15		1	
PT	15	0							15		4	10		1	
RO	57	16			15			1	41		1	40			
SI	1	0							1		1				
SK	16	3		2	1				13	2	6			4	1
FI	40	6	5				1		34	17	11			6	
SE	98	2	2						96		96				
UK	833	9	7	2					824		585			239	
Total	**4,647**	**513**	**145**	**149**	**156**	**23**	**2**	**38**	**4,134**	**539**	**2,230**	**191**	**385**	**724**	**65**

ANNEX 8

MS	N	TOR: Method of detection by established and estimated amounts per Member state 2016												
		Fraudulent							Non-fraudulent					
		All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other	All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other
BE	15,941,375	9,261,635	171,986	500,135	8,512,410			77,104	6,679,740	2,991,865	1,800,021	990,210	18,798	711,121	167,725
BG	488,717	436,567	201,514	235,053					52,150		52,150				
CZ	5,438,665	140,600	22,469		118,131				5,298,065	193,551	2,704,345	288,040		2,112,129	
DK	12,302,250	8,581,374	404,928	213,850	7,962,596				3,720,877	1,176,350	2,336,798			75,046	132,682
DE	72,316,067	5,112,337	350,440	422,830	2,792,163	1,257,995		288,909	67,203,731	6,552,233	32,392,197	271,994	14,207,329	12,333,955	1,446,023
EE	63,879	0		-					63,879		63,879				
IE	5,007,046	445,574			445,574				4,561,472	160,942	101,206	1,716,265	582,473	1,668,852	331,734
EL	14,193,563	5,594,313	4,013,131		582,771			998,410	8,599,250	8,091,783	170,106	337,361			
ES	44,553,730	2,972,087	173,946	29,693	1,745,747	564,753		457,948	41,581,643	4,395,014	15,292,789	5,798,716	10,190,539	1,177,562	4,727,023
FR	50,129,021	28,785,027	2,879,431	7,666,063	18,220,089		19,444		21,343,994	4,505,898	4,273,983	12,091,264		472,849	
HR	931,788	342,006	299,043	42,963					589,781	26,838	562,943				
IT	23,783,199	6,548,191	1,547,862	657,720	359,499	3,751,397		231,713	17,235,008	1,302,660	12,945,155	2,932,046	11,843	42,881	423
CY	332,446	332,446		37,580				294,866	0						
LV	3,184,345	661,068	639,392		21,676				2,523,277		2,209,883		294,006	19,387	
LT	1,321,879	266,102	120,412	85,594	60,096				1,055,777	44,349	1,011,428				
LU	0	0													
HU	4,215,216	88,762		88,762					4,126,454	132,531	3,993,923				
MT	167,040	167,040	167,040						0						
NL	147,318,448	261,626	10,717	250,909					147,056,822	3,483,914	142,101,362			1,471,546	
AT	16,251,936	5,716,261		703,548	1,075,946			3,936,767	10,535,675	342,574	2,627,477			7,476,170	89,454
PL	7,185,823	3,101,717	1,129,903	1,874,004				97,810	4,084,106	555,971	2,384,030	1,110,586		33,520	
PT	6,461,250	0							6,461,250		5,369,167	1,080,852		11,231	
RO	6,187,018	2,943,686			1,806,178			1,137,508	3,243,332		204,278	3,039,054			
SI	25,222	0							25,222		25,222				
SK	999,836	707,196		617,264	89,932				292,640	64,856	95,205			117,740	14,839
FI	2,119,459	119,457	107,717				11,740		2,000,001	1,149,330	486,873			363,798	
SE	6,461,763	101,720	101,720						6,360,043		6,360,043				
UK	89,361,012	297,577	250,729	46,848					89,063,434		75,993,107			13,070,327	
Total	**536,741,991**	**82,984,368**	**12,592,380**	**13,472,816**	**43,792,807**	**5,574,145**	**31,184**	**7,521,036**	**453,757,623**	**35,170,660**	**315,557,570**	**29,656,387**	**25,304,988**	**41,158,115**	**6,909,904**

ANNEX 9

MS	TOR: Recovery rates (RR) per Member State 2016					
	Fraudulent			Non-fraudulent		
	Established amount, EUR	Recovered amount, EUR	RR, %	Established amount, EUR	Recovered amount, EUR	RR, %
BE	7,116,444	3,938,536	55%	6,190,751	4,850,531	78%
BG	265,670	63,108	24%	52,150	-	0%
CZ	140,600	16,704	12%	5,298,065	4,756,734	90%
DK	8,581,374	483,665	6%	3,720,877	2,061,797	55%
DE	5,086,855	3,291,818	65%	67,203,730	63,001,639	94%
EE	0	0	0%	63,879	63,879	100%
IE	0	0	0%	4,561,472	2,912,051	64%
EL	352,328	0	0%	8,599,250	20,387	0%
ES	1,652,886	905,030	55%	41,581,643	16,056,064	39%
FR	27,924,297	3,772,047	14%	21,343,994	9,446,043	44%
HR	342,006	57,634	17%	576,336	267,551	46%
IT	6,475,681	712,095	11%	16,989,368	2,011,262	12%
CY	332,446	59,925	18%	0	-	#DIV/0!
LV	661,068	0	0%	2,523,277	1,755,940	70%
LT	266,102	1,040	0%	1,055,777	614,107	58%
LU	0	0	0%	0	-	#DIV/0!
HU	88,762	88,762	100%	4,126,454	647,728	16%
MT	0	0	0%	0	-	#DIV/0!
NL	261,626	60,826	23%	146,870,176	28,413,317	19%
AT	5,716,261	1,495,680	26%	10,535,675	9,245,708	88%
PL	3,101,717	426,925	14%	4,084,106	1,396,273	34%
PT	0	0	0%	6,461,250	236,010	4%
RO	2,943,686	1,272,451	43%	3,243,332	853,295	26%
SI	0	0	0%	25,222	25,222	100%
SK	707,196	140,318	20%	292,640	292,640	100%
FI	91,809	21,606	24%	2,000,001	1,726,914	86%
SE	0	0	0%	6,360,043	6,183,339	97%
UK	17,767	0	0%	89,063,434	31,721,398	36%
TOTAL	**72,126,582**	**16,808,170**	**23%**	**452,822,903**	**188,559,830**	**42%**

ANNEX 10

MS	TOR: Examination of write-off cases in 2016										
	Acceptance		Reference to Article 17.2 rejected		Additional information request (AI)		Not appropriate		Total cases*	Cases assessed twice (AI)	Total (amounts not counted twice)
	N	EUR	N	EUR	N	EUR	N	EUR	N	N	EUR
BE	-	-	2	541,478	8	1,264,221	1	81,861	11	1	1,887,560
DK	-	-	-	-	1	159,966	-	-	1	-	159,966
DE	7	2,340,444	15	12,798,462	55	15,348,467	-	550	77	22	30,487,923
EL	-	-	12	4,157,369	2	546,730	-	-	14	-	4,704,099
ES	2	539,188	5	890,338	14	4,975,767	-	-	21	-	6,405,293
FR	-	-	1	66,522	2	263,738	-	64,990	3	1	395,249
IT	-	-	15	11,752,197	6	1,148,093	-	-	21	2	12,900,290
LV	1	172,173	-	-	1	430,951	-	-	2	-	603,125
LT	2	285,229	-	-	1	55,995	-	-	3	-	341,224
HU	-	-	1	83,597	3	273,883	-	-	4	-	357,480
AT	4	869,423	5	2,590,368	9	7,871,048	-	4,481	18	4	11,335,680
PL	-	-	2	1,682,297	1	85,772	-	-	3	-	1,768,069
PT	-	-	27	9,552,222	1	123,541	-	1,566,118	28	-	11,241,882
SI	-	-	3	779,593	-		-	-	3	-	779,593
SK	-	-	1	82,766	1	64,387	-	-	2	1	147,153
SE	-	-	-	-	1	114,455	-	-	1	-	114,455
UK	1	66,548	3	1,427,608	3	2,380,554	-	-	7	1	3,874,710
Total	**17**	**4,273,004**	**92**	**46,404,816**	**109**	**35,107,570**	**1**	**1,718,001**	**219**	**32**	**87,503,751**

* including cases assessed twice

ANNEX 11

Legenda

EAFRD: European Agricultural Fund for Rural Development
EAGF: European Agricultural Guarantee Fund
GUID: European Agricultural Guarantee and Guidance Fund – Section Guidance
EFF: European Fisheries Fund
EMFF: European Maritime and Fisheries Fund
CF: Cohesion Fund
ERDF: European Regional and Development Fund
ESF: European Social Fund
FEAD: European Fund for Aid to the most Deprived
ISF: Internal Security Fund
HRD: pre-accession, Human Resources Development component
REGD: pre-accession, Regional Development component
IPARD: Instrument for Pre-Accession for Rural Development
PHARE: Pre-accession assistance programme
SAPARD: Special Accession Programme for Agriculture and Rural Development
CBC: pre-accession, Cross-Border Cooperation component
TAIB: Transition Assistance and Institution Building

Irregularities reported by Member States and Beneficiary Countries in 2016

The number of irregularities reported measures the results of Member States' work to counter fraud and other illegal activities affecting the EU's financial interests. Therefore, the figures should not be interpreted as indicating the level of fraud in the Countries' territories.

	FUNDS / COMPONENTS																		
Countries	EAFRD	EAGF	AGF/EAFR	GUID	EFF	EMFF	CF	ERDF	ESF	FEAD	ISF	HRD	IPARD	PHARE	REGD	SAPARD	TAIB	CBC	TOTAL
AT	8	1	3					18	15										45
BE	5	14	2					35	25										81
BG	32	2	66		20		38	86	20					3				35	302
CY					1		1	2	3										7
CZ	42	8	6	1	14		76	248	124										519
DE	45	22	6					194	99		1								367
DK	1	4	22		1			7	6										41
EE	23				2		2	31	4										62
ES			324		89		47	2 504	55										3 019
FI	9		12			1		13	4										39
FR			229					25	55										309
GR		4	117		5		28	428	113										695
HR	27	6						7	1			1	6					2	50
HU	144	37	1		2		32	476	68										760
IE	31	8	22					37	29										127
IT	53	280	421	3				98	60										915
LT	32	8	63	1	1			21	11	3									140
LV	27				4		56	131	3										221
MT							2	3	8										13
NL	19	25			36			14	7										101
PL	372	41	1	1	19		36	1 008	74										1 552
PT			463	1	18		13	87	63										645
RO	382	252	78		38		60	380	175							5			1 370
SE	3		2					4	1										10
SI	7		4				6	24	14										55
SK	24	10	2		14		78	361	157										646
UK	32	9	9		6			392	400										848
MK													2				2		4
RS																		12	12
TR												15	30		3		6	1	55
TOTAL	1 318	731	1 853	7	270	1	475	6 634	1 594	3	1	16	38	3	3	5	8	50	13 010

Irregular amounts related to irregularities reported by Member States and Beneficiary Countries in 2016

	FUNDS / COMPONENTS																	
Countries	**EAFRD**	**EAGF**	**EAGF/EAFRD**	**GUID**	**EFF**	**EMFF**	**CF**	**ERDF**	**ESF**	**FEAD**	**ISF**	**HRD**	**IPARD**	**PHARE**	**REGD**	**SAPARD**	**TAIB**	**CBC**	**TOTAL**
AT	232 777	13 000	39 393					778 042	1 365 328										**2 428 540**
BE	205 982	208 634	28 133					1 462 541	1 777 214										**3 682 502**
BG	4 305 157	327 118	11 188 815		409 302		22 539 265	10 530 545	1 030 605					101 351				118 631	**50 550 787**
CY					49 327		15 666	32 425	216 983										**314 400**
CZ	2 487 999	272 366	839 266	125 479	186 767		42 316 493	82 560 262	17 610 605										**146 399 237**
DE	2 417 475	634 109	225 437					22 253 811	8 228 517		178 812								**33 938 161**
DK	16 326	250 977	3 520 097		370			383 330	245 678										**4 416 778**
EE	2 448 124				451 103		450 427	4 323 359	247 281										**7 920 295**
ES			22 281 935		8 958 605		25 460 745	280 482 000	3 350 315										**340 533 599**
FI	172 325		218 489			130 707		193 689	173 056										**888 266**
FR			12 966 770					7 594 188	1 376 580										**21 937 538**
GR		56 025	2 033 767		3 073 118		3 173 474	169 710 829	11 013 943										**189 061 157**
HR	2 893 581	182 252						2 292 697	20 569			1 006	160 696					4 086	**5 554 886**
HU	4 874 184	2 681 572	32 809		54 302		8 354 209	85 642 143	13 488 699										**115 127 918**
IE	840 029	134 633	405 914					3 852 806	4 334 855										**9 568 237**
IT	4 858 671	30 238 418	29 873 375	2 980 876				45 460 693	1 709 299										**115 121 333**
LT	3 400 475	101 333	3 164 357	50 452	43 350			3 690 990	476 512	463 921									**11 391 390**
LV	1 607 296				260 302		21 230 882	29 269 506	359 810										**52 727 796**
MT							10 601 108	120 049	234 494										**10 955 650**
NL	357 209	967 117			1 056 327			386 731	2 317 805										**5 085 190**
PL	27 927 261	6 784 387	28 213	34 226	3 213 696		8 962 205	319 273 579	7 610 498										**373 834 065**
PT			24 760 716	494 203	588 215		907 078	15 769 181	2 509 875										**45 029 269**
RO	36 530 803	12 332 937	6 513 069		8 431 937		23 655 834	113 562 396	12 065 400							1 975 311			**215 067 688**
SE	50 032		43 131					188 447	23 634										**305 245**
SI	378 878		50 194				2 134 258	2 445 575	429 013										**5 437 918**
SK	1 549 405	148 593	555 798		683 092		311 931 392	184 984 167	30 333 062										**530 185 509**
UK	1 029 120	103 311	328 106		562 201			21 290 524	18 505 498										**41 818 759**
MK													6 500				0		**6 500**
RS																		71 130	**71 130**
TR												1 266 733	6 315 453		0		346 771		**7 928 958**
Grand Total	**98 583 109**	**55 436 781**	**119 097 786**	**3 685 236**	**28 022 013**	**130 707**	**481 733 036**	**1 408 534 505**	**141 055 125**	**463 921**	**178 812**	**1 267 739**	**6 482 649**	**101 351**	**0**	**1 975 311**	**346 771**	**193 848**	**2 347 288 699**