

The experience in the fight against EU frauds in support of the prevention and the counteraction in order to protect the European Union's financial interests



THE IRREGULARITY PROCEDURE

Definition of the irregularity

- **COUNCIL REGULATION (EC) No 1083/2006**

Article 1

(7) „**irregularity**”: any infringement of a provision of Community law resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the European Union by charging an unjustified item of expenditure to the general budget.

- **COMMISSION REGULATION (EC) No 1828/2006**

Article 27

(c) „**suspected fraud**” means an irregularity giving rise to the initiation of administrative or judicial proceedings at national level in order to establish the presence of intentional behaviour, in particular fraud, as referred to in point (a) of Article 1(1) of the Convention drawn up on the basis of Article K.3 of the Treaty on European Union, on the protection of the European Communities' financial interests

(d) „**bankruptcy**” means insolvency proceedings within the meaning of Article 2(a) of Council Regulation (EC) No 1346/2000

01. Starting the procedure

Who detects?

When?

02. Conducting the procedure

Who conducts?

03. Suspicion of a crime during the procedure

What are the typical suspected frauds?

- Forgery of administrative documents
- Forgery of private documents
- Financial fraud

Financial fraud is a deliberate deception in connection with the EU/national supports, allowances. The offenders use the support to achieve a different purpose. The act of deception causes intentional or unintentional financial disadvantage to the budget of support scheme.

04. The termination, sanction

Most common sanctions are:

- suspension of payments during the procedure
- establishment of irregularity/non-irregularity
- reduction of support's amount and repayment obligation
- exclusion from the support scheme
- withdrawal from the contract

05. Legal remedy

Who can initiate?

Who decides?

THE ROLE OF THE NATIONAL DEVELOPMENT AGENCY (NDA) IN THE PREVENTION OF IRREGULARITIES DURING THE PROCUREMENT PROCEDURES

Controls are carried out by the **intermediate body (IB)** when

- the public supply contracts and public service contracts **do not reach the EU thresholds**
- the public works contracts and public works concessions **do not reach 1.000.000 €**

Controls are carried out by the **NDA** when

- the public works contracts and public works concessions **reach the EU thresholds**
- the public works contracts and public works concessions **reach 1.000.000 €**

01. The beneficiary sends the documents before the procedure to the IB and NDA.
02. The IB/NDA can decide about starting an irregularity- or a judicial review procedure.
03. Final decision comes after NDA had controlled all stages in the process.
04. IB and NDA must give their certificate and declaration with supporting content.
05. The NDA carries out subsequent verification.

Statistic (2007-nowdays)

7603 Suspected irregularities reported

3957 Negative decisions

36 million Euros recovered



THANK YOU FOR YOUR ATTENTION!

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