Fraud & irregularity in the proposed Post 2027 framework

Interact/ 04.11.2026

Interact



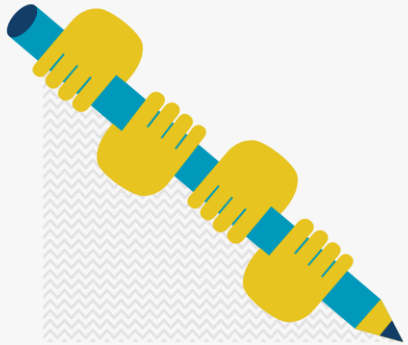
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Interreg

Objectives of the session



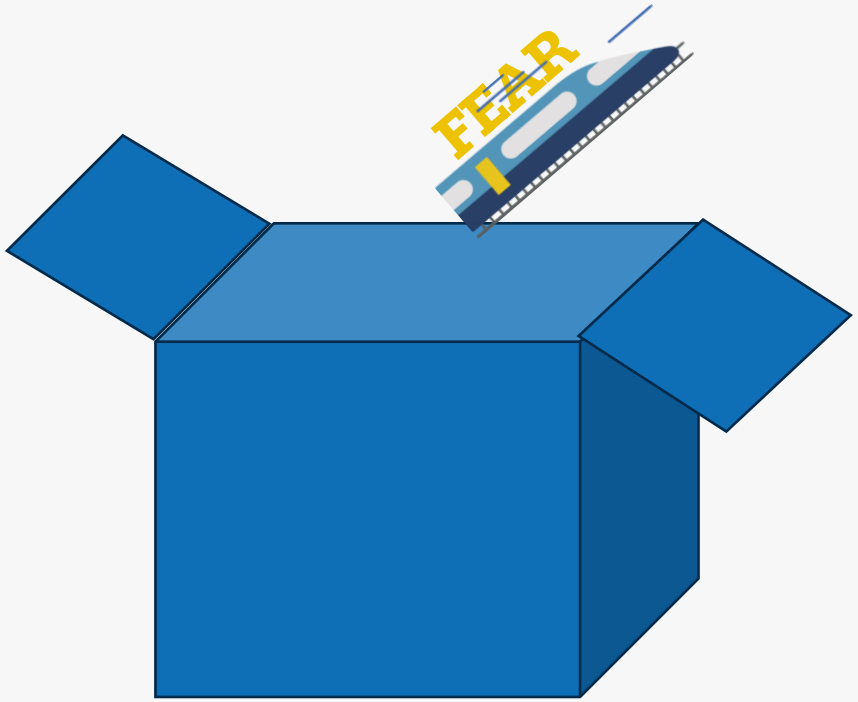


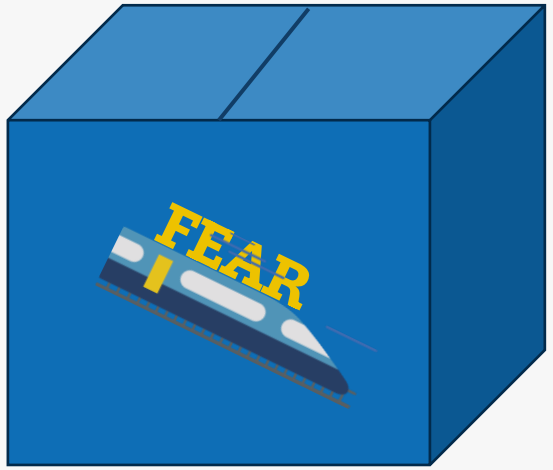






But what we, also want to do together is…





What changes

Delivery mechanism

Payments from the Commission to the Programme based on the achievement of milestones and targets

What doesn't change

Fraud, conflict of interest, breaches in public procurement, false evidence, errors...

What programmes need?

Let's start with some slightly changed definitions…

Disclaimer: presentation is based on Commission's proposal (COM/2025/565 final/2)

NRPP

Article 4 - Definitions

(2) **‘applicable law’** means Union law and the national law **directly** relating to its application

CPR 21-27, Article 2

(3) **‘applicable law’** means Union law and the national law relating to its application

NRPP

Article 4 - Definitions

(35) **'irregularity'** means any breach of applicable law, which has, or would have, the effect of prejudicing the budget of the Union **by receiving unjustified reimbursement based on milestones, targets and outputs to that budget**

CPR 21-27, Article 2

(31) **'irregularity'** means any breach of applicable law, resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the budget of the Union by **charging unjustified expenditure to that budget**

…and continue with what else is there, what changes & what stays the same…

NRPP

Article 51 – Functions of the MA

1. (c) applying **effective and proportionate measures and procedures**, taking into account the risks identified, to **prevent, detect, and correct irregularities**, including fraud, corruption, conflict of interests, and double-funding and **ensure compliance of the underlying operations with applicable law**, in accordance with the relevant key requirements set out in Annex IV [key requirements]

NRPP

Article 58 – Responsibilities of MS

1. The Member States shall **take appropriate measures to protect the financial interests of the Union** and to ensure that the use of funds in the implementation of the Plans complies with the **applicable law**, including applicable public procurement and State aid rules. They shall **in particular ensure the prevention, detection, correction and reporting of irregularities, including fraud, corruption and conflicts of interest.**

NRPP

Article 58 – Responsibilities of MS

2. For the purposes of paragraph 1, the Member States shall:

(a) establish **effective and efficient management and control systems** for their Plans in accordance with the key requirements set out in Annex IV and ensure their proper functioning in accordance with the principle of **sound financial management;**

(b) **ensure and regularly check** that the support provided has been **properly used to achieve the established milestones and targets** or outputs and take all the appropriate actions to ensure that the use of funds in the implementation of the Plans complies with **applicable law**;

(c) take appropriate measures to **prevent, detect and correct irregularities including fraud, corruption, conflicts of interest**, including the use of **data mining tools**;

(d) apply **corrective measures** where the **applicable law** is not respected;

NRPP

Article 58 – Responsibilities of MS

(e) ensure the **avoidance of double funding** from the Union budget, and take immediate measure to correct any situation of double funding by cancelling the most recent funds decided to the concerned operation;

(f) ensure compliance with the obligations set out in Article 130 of Regulation (EU, Euratom) 2024/2509;

(g) ensure the **reporting of all cases of suspected fraud, corruption and irregularities, including conflict of interest, double funding and other breaches of the applicable law** in the Commission's **Irregularity Management System (IMS)**; the Commission shall summarise and publish that information annually and shall communicate it to the European Parliament;

NRPP

Article 58 – Responsibilities of MS

(h) ensure that the Commission, OLAF, the Court of Auditors and, in respect of those Member States participating in enhanced cooperation pursuant to Regulation (EU) 2017/1939, the EPPO:

(i) can exercise their respective competences as provided for in Article 129(1) of the Regulation (EU, Euratom) 2024/2509 including by requiring expressly the recipients of Union funds to provide or ensure the necessary rights and access;

(ii) receive access to the data referred to in Article 63 [on data collection and publication] within the exercise of their respective competences.

NRPP

Article 58 – Responsibilities of MS

(i) have systems and procedures in place to ensure that **all supporting documents necessary for the audit trail related to a measure supported by the Fund are kept** at the appropriate level for a ten year period from 31 December of the year in which the last payment by the Commission to the Member State is made; where a redress procedure has been initiated, an appeal has been lodged or where court proceedings have begun, the supporting documents shall be kept until those procedures or any subsequent recovery procedures are terminated;

(j) make arrangements to ensure the **effective examination of complaints concerning the use of the Fund**, in accordance with their institutional and legal frameworks, and upon request by the Commission, examine complaints submitted to the Commission falling within the scope of the NRP Plan and inform the Commission of the results of these examinations;

NRPP

Article 58 – Responsibilities of MS

(k) ensure that all exchanges of information between beneficiaries of funding and the NRP Plan authorities, as well as with the Commission, are carried out by means of **electronic data exchange systems** which includes, among others, use of automatic and interactive forms and calculations, ensures record-keeping and data storage in the system enabling both administrative verifications of payment claims submitted by beneficiaries and audits as well as allows for automatic synchronisation and transmission of data between beneficiaries' and Member States' systems;

(l) ensure that all official exchanges of information with the Commission are carried out by means of an electronic data exchange system referred to in Annex XVI [SFC2028: electronic data exchange system between the Member States and the Commission]. Member States **are not expected to verify the underlying costs of the operations and the measures when assessing the fulfilment of milestones and targets.**

NRPP

Articles 66, 67 and 68

A **serious non-compliance** with the obligations under Article 58 (such as the failure to fulfil the obligation to ensure the proper functioning of the MCS) will be a ground for Commission to:

- Interrupt payment deadlines (art. 66)
- Suspend payments (art. 67)
- Impose financial corrections (art. 68)

* Serious nature assessed on case-by-case basis

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Article 59 – Submission of the annual assurance package

1 (c) (iii) the **management and control systems put in place function properly** and give the **necessary assurance** that the funds were managed in accordance with all **applicable laws**, including on the **prevention, detection, reporting and correction of conflicts of interests, corruption, double funding, fraud and other irregularities, and in line with the principle of sound financial management**

NRPP

Article 68 – financial corrections by the Commission

1 The Commission shall apply **financial corrections** to reduce proportionately the Union financial contribution and, where applicable, recover from the Member States…

(b) there is **fraud, corruption or conflicts of interests affecting the financial interests of the Union, which was not detected and reported and corrected by the Member State**

Discussion



What does all of this mean in practice?

1. An achievement (infrastructure) is reported as fulfilled, but part of it exists only on paper.
2. A contract is awarded to a body linked to a steering committee member, and no costs are checked.
3. An achievement (tourist side) is paid, and three years later the infrastructure is unused.

a. Who could notice it, and at which stage?
b. What evidence would show it, without a list of expenditure?
c. What would be the difference in checks compared from today to Post 27?

Discuss the 3 cases at your table

What remains open?

- What must be ready/change: procedures, document, tool or skills?
- Who is responsible/what changes?

Discuss at your table, use post-its

- What do we need to ask the legislators?

Cooperation works

All materials will be available on:
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