



Brussels, 3.5.2016  
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**COMMISSION DECISION**

**of 3.5.2016**

**on the launch of an investigation related to the manipulation of statistics in Austria as referred to in Regulation (EU) No 1173/2011 of the European Parliament and of the Council on the effective enforcement of budgetary surveillance in the euro area**

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**on the launch of an investigation related to the manipulation of statistics in Austria as referred to in Regulation (EU) No 1173/2011 of the European Parliament and of the Council on the effective enforcement of budgetary surveillance in the euro area**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1173/2011 of the European Parliament and of the Council of 16 November 2011 on the effective enforcement of budgetary surveillance in the euro area<sup>1</sup>, and in particular Article 8(3) thereof,

Having regard to Commission Delegated Decision 2012/678/EU of 29 June 2012 on investigations and fines related to the manipulation of statistics as referred to in Regulation (EU) No 1173/2011<sup>2</sup>

Whereas:

- (1) Regulation (EU) No 1173/2011 sets out a system of sanctions to enhance the enforcement of budgetary surveillance in the euro area, including sanctions intended to deter against the misrepresentation, whether intentional or due to serious negligence, of general government deficit and debt data relevant for the application of the multilateral surveillance system and the excessive deficit procedure (EDP).
- (2) For that purpose, Article 8(3) of Regulation (EU) No 1173/2011 empowers the Commission to conduct all necessary investigations to establish the existence of misrepresentations of actual deficit and debt data, as a result of intent or serious negligence. Commission Delegated Decision 2012/678/EU lays down the detailed rules concerning the procedures for investigating such misrepresentations.
- (3) In the context of the EDP Notification in April 2014, the debt and deficit of Austria for the years 2010-2012 were revised upwards, mostly due to previously unrecorded financial transactions. The Commission (Eurostat) has carried out a preliminary analysis of the cause of the revision, based mainly on findings published by the Austrian Court of Audit, and it appears that the actual debt and deficit data reported by Austria to the Commission (Eurostat) may have been vitiated by irregularities.
- (4) There are indications in the preliminary findings that the accounting, recording and reporting of financial transactions in Land Salzburg have not been correct. Notably, there are indications that the financial department of Land Salzburg manipulated accounts e.g. by concealing the existence of bank accounts, assets and debt contracted for the financing of these.
- (5) Furthermore, there are indications that public accounting rules were not followed, control was lacking, financial and non-financial transactions were not appropriately

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<sup>1</sup> OJ L 306, 23.11.2011, p. 1.

<sup>2</sup> OJ L 306, 6.11.2012, p. 21

reported, recommendations from the Austrian Court of Audit were ignored, documentation was falsified and incorrect, and misleading information was deliberately sent to the national authorities. For a number of years, this resulted in Austria reporting lower levels of debt to the Commission (Eurostat) than the correct one, up until the EDP notification in October 2013.

- (6) Likewise, there are indications that the government of Land Salzburg did not report the irregularities or attempt to rectify the misreporting to the statistical authorities for a period of more than a year after becoming aware of it, seemingly in an attempt to terminate all financial investments before those irregularities were publically disclosed.
- (7) Those elements constitute serious indications of the existence of facts liable to constitute a misrepresentation of general government deficit and debt data arising from the manipulation of such data as a result of either intent or serious negligence.
- (8) It is therefore necessary to launch an investigation in order to confirm the existence of a misrepresentation of general government deficit and debt data in Austria and to establish its intentional or negligent character.
- (9) The Commission's decision to initiate this investigation should be notified to the Republic of Austria, in accordance with Article 2(1) of Delegated Decision 2012/678/EU.
- (10) The Commission should inform the European Parliament and the Council of its decision, in accordance with Article 2(4) of Delegated Decision 2012/678/EU,

HAS ADOPTED THIS DECISION:

*Sole Article*

On the basis of the serious indications found, as evidenced by the annexed summary of the preliminary findings, an investigation is launched and shall be conducted in accordance with Regulation (EU) No 1173/2011 and Delegated Decision 2012/678/EU, in order to confirm the existence of a misrepresentation of general government deficit and debt data as a result of intent or serious negligence, in Austria.

Done at Brussels, 3.5.2016

*For the Commission*  
*Marianne THYSSEN*  
*Member of the Commission*