

Commission Regulation (EC) No 718/2007 of 12 June
2007 implementing Council Regulation (EC) No 1085/2006
establishing an instrument for pre-accession assistance (IPA)

PART I

COMMON PROVISIONS

TITLE II

COMMON RULES FOR IMPLEMENTATION

CHAPTER IV

Financial management

Section 2

Rules for decentralised management

Article 49

Financial corrections

1 In order to ensure that the funds are used in accordance with the applicable rules, the Commission shall apply clearance-of-accounts procedures or financial correction mechanisms in accordance with Articles 53b(4) and 53c(2) of Regulation (EC, Euratom) No 1605/2002 and as detailed in the framework or, where they exist, sectoral agreements.

2 A financial correction may arise following:

- a identification of a specific irregularity, including fraud; or
- b identification of a weakness or deficiency in the management and control systems of the beneficiary country.

3 If the Commission finds that expenditure under the programmes covered by this Regulation has been incurred in a way that has infringed applicable rules, it shall decide what amounts are to be excluded from Community financing.

4 The calculation and establishment of any such corrections, as well as the related recoveries, shall be made by the Commission, following the criteria and procedures provided for in Articles 51, 52 and 53. Other provisions on financial corrections which have been set down in sectoral or financing agreements shall apply in addition to this Regulation.

Changes to legislation:

There are currently no known outstanding effects for the Commission Regulation (EC) No 718/2007, Article 49.