

Dear Chief Academic Administrator,

Dear Professor Jorens,

Dear State Secretary,

Dear Director

Ladies and gentlemen,

As the State Secretary of the Benelux, I am honoured to be present here today at the inauguration of IRIS, short for the International Research Institute on Social Fraud. As you do, I believe in the power of knowledge and cooperation to prevent and to fight social fraud. For that reason, IRIS will most certainly prove its value in the future.

The Benelux, too, adds a major value to the fight against fraud. But I will return to that in a moment. Allow me to say a few words on the cooperation within the Benelux which is more active and more current than ever.

Indeed, ladies and gentlemen, the Benelux is still very much alive.

What began as a customs union developed into an economic union between three countries in 1958. In this way, three partners took the lead in the very first steps towards European integration, with several remarkable results such as the free movement of capital and persons, which, in the meanwhile, has become mainstream. Another great success was the Schengen Agreement of 1985, where the Benelux countries, Germany and France decided on the removal of frontier formalities. In 1999, this was adopted by the entire EU. Next was the Senningen Treaty in 2000, which allows the police to cross the borders when pursuing a criminal.

It is clear that an expanding EU has not made the Benelux redundant. Three countries that work together are able to achieve more than one. It also makes them stronger. At the same time, the EU decision-making can only be positively stimulated by means of good regional cooperation.

The successes I just mentioned, and of course there are many more, we owe to the unique characteristics of a pragmatical and flexible cooperation which is typical of the Benelux. The General Secretariat of the Benelux in Brussels has established years of experience, knows the structures and cultural differences of three countries inside out, is impartial and knows how to bring people round the table to obtain results.

The best PR is achieved through other people's actions. Our heads of government are also convinced of the usefulness of our cooperation. In June 2008 they signed the new Benelux Treaty which was recently ratified by all parliaments and which clearly describes the objectives of the cooperation between our countries by means of a common work programme that emphasises three key subjects that are worked on on a daily basis: the internal market & the economic union, sustainable development and justice and home affairs. We head for the future with two clear goals: stimulating the cross-border cooperation and enhance our role as a testing ground for Europe.

As far as the fight against large-scale fraud is concerned, Luxemburg, the Netherlands and Belgium have already discovered the benefits of intensive cooperation. The Benelux was the forerunner of the free movement of goods, services and persons. Unfortunately, this free movement also opened doors for all kinds of cross-border fraud practices which the countries could not fight individually. The bilateral framework is no longer sufficient. A multilateral

approach is needed, but the EU is sometimes too complex to achieve short-term results.

In 2000, the joint fight against tax fraud took a start. And the results are astonishing. For instance, merely because of the cooperation and exchange of information in the mineral oil sector, almost two hundred million euro worth of fraud was recovered between 2000 and 2007. The voluntary cooperation between oil companies and the tax authorities of the Benelux countries were exceptionally successful. By means of a computerised information exchange system (the Parallel Warning System), the authorities monitor these flows of oil. However, the fight against fraud does not end with the oil sector. For example, swindling in the telecom, motor or property sector or with management companies is also on the agenda.

In 2008, between the Benelux countries, a quick information exchange system was introduced to prevent VAT evasion when purchasing a car across the border, the so-called AUTOCANET. Meanwhile, this system has been extended to the other European Union member states and resulted in Eurofisc. A Belgian official who developed Autocanet within the Benelux cooperation, now is the president of Eurofisc: another example of a situation where the Benelux has served as the testing ground for Europe.

At the General Secretariat, the Central Fraud Group meets twice a year with the high officials who direct the cooperation. They lay down the action plans and working groups with specialised officials implement them. Thanks to this cooperation, the treasuries of our three countries have already recovered many millions of euro of evaded money. Fraud mechanisms are deterred.

The new Benelux Union Treaty was signed in 2008 by the three Benelux countries and the Communities and Regions in Belgium. It explicitly made the Union competent for the fight against fraud.

Last year, on 1 March 2010, there were consultations between State Secretary Carl Devlies and the General Secretariat of the Benelux. Here, the State Secretary explained how the coordinated fight against tax fraud and social fraud is handled in Belgium today, and with this, he initiated the cross-border approach of social fraud in a Benelux setting.

The General Secretariat picked up on this suggestion and the subject was included in the year plan of 2011. This is also why we are able to answer the State Secretary's appeal which he made at this session. We recently obtained a mandate from the Committee of Ministers, and since then, we are conducting an exploratory study to get experts from the three countries together, and to map out the options for cooperation. In the autumn, we are planning to gather a Benelux working group with the aim of creating an action plan. We will be happy to present to the partner countries the MOU tabled by the State Secretary. We believe it forms an excellent foundation to arrive at an intergovernmental cooperation within the Benelux and we will gladly invest our governance experience with tax fraud. For instance, our experience with the cooperation of police forces within the Benelux and the cross-border patrols may be a source of inspiration for social inspections across the border.

More and more, our governments focussing on the Benelux. With its 27 member states, the European Union is a politically very important project to guarantee peace and security in Europe. However, Europe should be

ambitious. For a more in-depth cooperation, the Benelux countries are in the cockpit. If they cooperate.

That is why the initiative from the State Secretary is new. To this day, the fight against social fraud has remained on a national or, at the most, on a bilateral level. Now, the time has come to raise this level, namely to a multilateral approach on our Benelux testing ground.

In the implementation, I hope we will be able to appeal to the knowledge as gathered by IRIS. And so, I end my speech where I started it: sufficient knowledge and a good cooperation are two essential elements to be able to prevent and fight social fraud.

To conclude, I wish to congratulate Professor Jorens with the inauguration of IRIS and I look forward to good relationships between IRIS and the General Secretariat.

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