

# Abstract

## Audit of the economic Inspectorate

*The economic Inspectorate checks whether the laws aimed to protect consumers and promote fair trade practices are respected by commercial companies. An audit of the Court of Audit finds there is room for improvement. Concrete recommendations made should provide a better base to select research topics, a better control organization and control evaluation, as well as a better sanction system. The ultimate goal of this system is to ensure a better enforcement of the law.*

The mission of the economic Inspectorate is to spot the infringements of the applicable regulations and to initiate repressive measures. As such a service obviously never has sufficient means to cover all the activities subject to its inspection on a permanent basis, defining a good control strategy is fundamental. This strategy has to adequately combine actions taken by the economic Inspectorate on its own initiative and actions taken to meet complaints or external requests. In this respect, the economic Inspectorate considers it currently does not have a large autonomy, because three quarters of its general research topics are carried out at the request of ministers, members of Parliament, of other administrations, or even professional or consumer groups.

The economic Inspectorate should improve the selection of its general research topics, after making a risk analysis and working out a system of criteria which could ensure with a reasonable degree of certainty that, at least periodically, all regulations and sectors have been supervised. It also has to intensify its efforts to set up data banks of companies and their economic size as soon as possible.

It still has to improve the preparation and the organization of the research topics, as well as to proceed, for instance by means of preliminary research topics, preliminary tests and better internal instructions, particularly with regard to the selection of businesses to check, and of evaluations of the research topics.

With regard to the repression of infringements, the audit showed how little effective the penal sanctions were. In many cases, one cannot determine what action was taken by the public prosecutor's offices after the economic Inspectorate forwarded notifications of infringement. In a great number of cases, the proceedings seem to have been discontinued. More efficient information and decriminalization of certain infringements, together with a larger use of alternative sanctions such as administrative fines, should be envisaged. The implementation of such measures will require a legislative initiative in more than one case.

Having regard to the strong decentralization of the economic Inspectorate services, the implementation of the recommended system of management control can be summed up in four successive stages:

- state the mission by clarifying the objectives, the working methods recommended and the deontological rules; the economic Inspectorate now has a charter ready for this;
- specify the medium and long term strategic options, as well as the suitable means to attain the results to achieve, after carrying out a risk analysis;
- break down the strategic plan into shorter term operational plan(s) (a year);
- draw up scorecards stating indicators such as means, activity and result selected so as to help determine how efficient and effective the services are.