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EPPO and EU Law (Jean Monnet Centre of Excellence – EPPONFI)

EPPO–OLAF Relations and Interactions

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Any earnest discussion about the EU antifraud architecture' should not hide uncomfortable facts. For instance, in 2024, the EPPO processed 6 547 crime reports. Over 70% came from private parties, close to 27% from national authorities, and less than 1% from OLAF. Obviously, institutions, bodies, offices and agencies of the EU need to step up the detection and reporting of suspicions of fraud to the EPPO.

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Romania: EPPO arrests ringleader of €100 million fraud scheme with mafia ties

- Action day in February 2025
- Constructions related to water treatment and sewage systems
- Strong links to Italian OCG
- Complementary Investigations by OLAF





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OLAF & EPPO differences



- Conducting administrative investigations
- Pure opportunity principle
- Investigations „on remote“; on-the-spot checks
- Relies on own investigators
- Access to coercive measures through NA
- Final „product“ - recommendations

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OLAF & EPPO differences



EUROPEAN
PUBLIC
PROSECUTOR'S
OFFICE

- Conducting criminal investigations
- Mixed legality and opportunity principle (evocation)
- Investigations in the MS
- Relies on national investigators
- Direct access to coercive measures (or direct entitlement to request them)
- Final „product“ – indictments, plea bargaining



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CRIMINAL VS. ADMINISTRATIVE INVESTIGATIONS





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- **Opened 190 new investigations (2023)**
- **Recommended to recover 1,043 billion**
- **Budget 63,5 billion (2023)**
- **Staff 371 (2023)**



EUROPEAN
PUBLIC
PROSECUTOR'S
OFFICE

- **Opened 1504 new investigations (2024)**
- **Freezing orders granted 2,42 billion**
- **Budget 79,7 million (2024)**
- **Staff 275 + 166 EDPs (2024)**



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Anti-fraud Architecture



- Duplications and overlaps
- Scattered reporting system
- High number of (different) strategies
- Lacking coordination of AFA
- Lacking IT interoperability
- Lacking resources
- Collaboration left upon bilateral agreements

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Upcoming Tasks



- Evaluation and review of the OLAF, Eurojust and EPPO Regulations (2025–2026)
- Renewal of 1/3 of EPPO College, ECP and DG OLAF
- EP: Annual Report on the Protection of EU's Financial Interests (Q4 2025)
- Revision of the „PIF Directive“ (2026?)

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Upcoming PIF Challenges



- Questionable financing through RRF funds
- EPPO findings in cases concerning organized crime
- 6 billion new Growth Plan for Western Balkans
- Further 50 billion for Ukraine Facility

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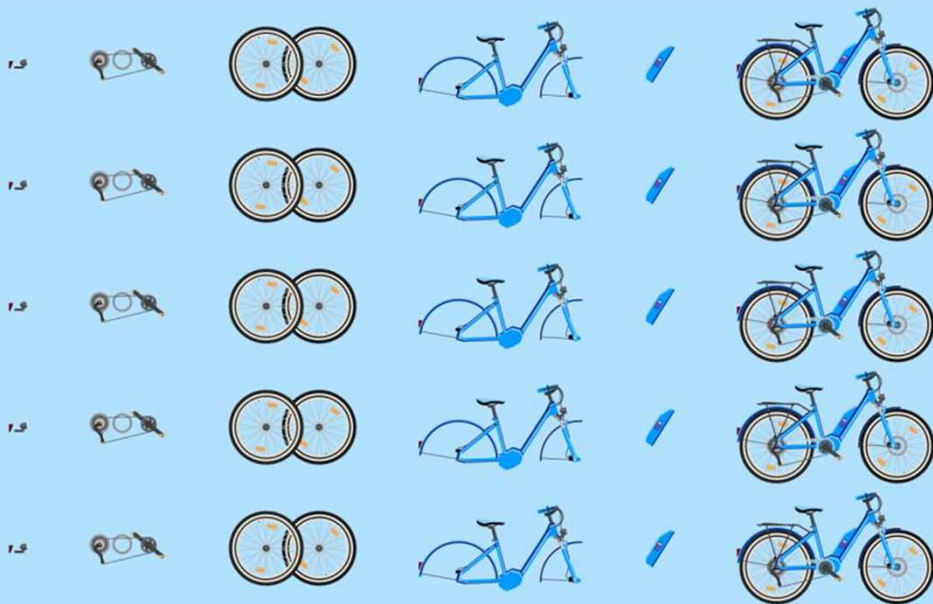


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Belgium: Three convicted of evading €3.1 million in customs duties on imported e-bikes

- Case reported by OLAF
- One of multiple e-bikes cases linked to imports from China
- Convictions in April 2024





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REPORTING FRAUD IN EU





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Reporting to EPPO



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- 1 760 crime reports from
- national authorities
- 113 crime reports from IBOA (EU)
- 4 580 reports from private parties



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OLAF ASSISTANCE TO EPPO

Conducting
administrative
investigations
(Art. 101 EPPO Reg.)

Providing
information,
analyses, expertise
and operational
support

Reporting criminal
offences

Coordinating
activities of
national authorities
and EU bodies

Hit-no-hit access to
operational
databases

In EPPO non-participating Member states?



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OLAF SUPPORT TO EPPO INVESTIGATIONS

- upon request of EDP (Art. 101 EPPO Reg.; Art. 12e OLAF Reg.)
 - in accordance with OLAF's mandate
 - scope not limited by the law
 - e.g. forensic activities, expertise on EU programmes, their rules and procedures, data from OLAF investigations
 - may include request to keep particular formal procedures and observe particular procedural rights and guarantees, incl. those resulting from national law (Art. 12e(3) OLAF Reg., Art. 41(3) EPPO Reg.)
- Outside territories of EPPO participating Member states?
 - Bypassing MLA international conventions?



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OLAF COMPLEMENTARY INVESTIGATIONS

- In the course of ongoing EPPO investigations
 - upon information of OLAF DG
 - EPPO may disagree to its opening (in 20 days) its continuation or to performing particular acts
 - Opened especially to secure or speed up (administrative) assets recovery, to take (administrative) precautionary measures, to issue administrative or disciplinary recommendations, to investigate non-fraudulent irregularities...
- Run independently from EPPO (exchange of info. envisaged)
 - OLAF sends a copy of the Final Report to EPPO upon completion



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Netherlands: Leaders of international customs fraud ring involving biodiesel imports arrested

- Case reported by OLAF
- Action Day in February 2025
- Damage of over €60 million





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Bulgaria: EPPO accuses former mayor and ex-governor in investigation into fishing port in Varna

- Case reported by OLAF + complementary investigation by OLAF
- Fraudulent reconstruction of a „fishing port“
- Damage about €3,4 million

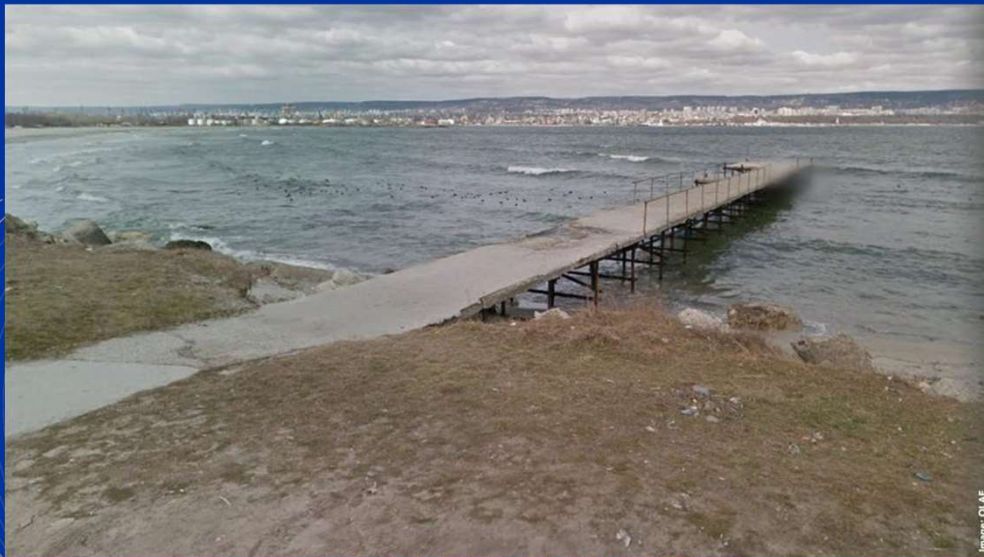


Image: OLAF



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Bulgaria: Five individuals indicted in €6 million construction machinery fraud

- Case reported by OLAF
- Purchased machinery never put to service and partially sold
- Money laundering of €3 using a bank in Austria

Image is for illustration purposes only





EUROPEAN
PUBLIC
PROSECUTOR'S
OFFICE

43
ARREST
WARRANTS

>160
SEARCHES

195
SUSPECTS

INVESTIGATION

MURKIN

DICK

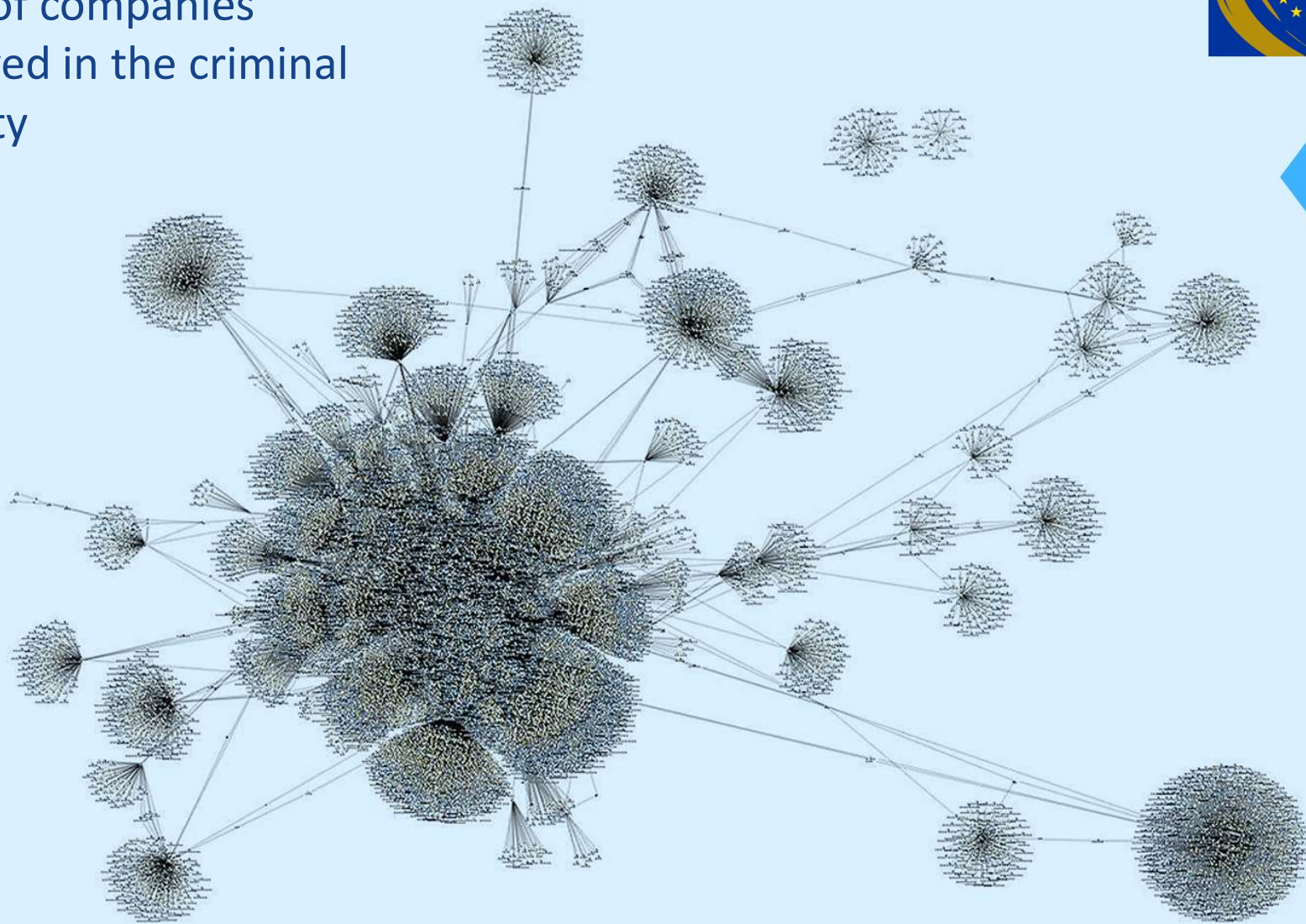
>10
COUNTRIES
INVOLVED

>€520
MILLION
FREEZING
ORDER



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Web of companies involved in the criminal activity





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OLAF „remaining“ competences



- Internal investigations (incl. EPPO)
- Investigations followed by financial, administrative or disciplinary recommendations (judicial in HU, IE, DK)
- Coordination cases (Art. 1(2) OLAF Reg.)
- Full competence over cases/PIF damage less than 10.000 EUR
- Full competence in EPPO-non-participating MS
- Assisting the EU institutions, bodies, offices, and agencies with the preliminary evaluation



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The way forward

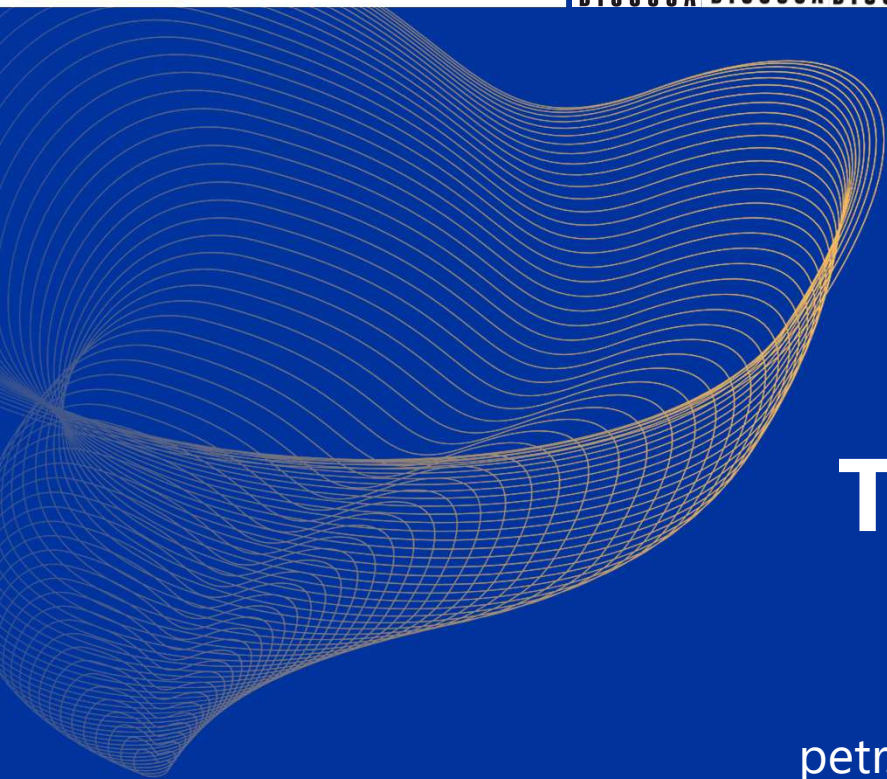


- **Evaluation** of OLAF Reg. due in mid 2025
- ECA **audit** on AFA – due in Q3-4 2025
- **Revision** of the PIF Directive
- **Interoperability** of EPPO/OLAF/EUROPOL databases
- Reprogramming **OLAF mandate**
- **Focusing** OLAF
- Reviewing **reporting of fraud**
- Adjusting **OLAF support** to needs of EPPO
- Non-duplication vs. **Non-jeopardizing**
- Unification of **anti-fraud plans** and strategies

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THANK YOU

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