

SEMINAR

“European Funding 2007-2013 and the fight against fraud and irregularities in the area of Structural Funds”

**European
Anti-fraud Office (OLAF):**

**EU LAW-ENFORCEMENT
STRATEGIES**



OVERVIEW OF THE PRESENTATION

- ❖ OLAF-MISSION, ORGANISATION, TYPES OF INVESTIGATIONS
- ❖ STRUCTURAL FUNDS: RISKS
- ❖ OLAF'S PREVENTING ACTION IN THE FIELD OF STRUCTURAL FUNDS
- ❖ OLAF'S ACTION FOR DETERRING AND FIGHTING FRAUD IN THE FIELD OF STRUCTURAL FUNDS

WHAT IS OLAF?

European Institutions'
independent
investigation service

Service Platform for its
national and Union
partners



Legal Basis

Article 325
TFEU

(after the entry into force
of the Lisbon Treaty
article 280 TCE has
become article 325 TFEU)

Comm Decision
1999/352/EC,
ECSC, Euratom

Regulation (EC)
No 1073/1999

WHAT IS OLAF'S MISSION?

« To protect the financial interests of the European Union against fraud, corruption and any other illegal activities and to protect the reputation of the European institutions. »
(in conformity with EP/Council Regulation (EC) 1073/1999)

INTERNAL INVESTIGATIONS

Key area with a view to OLAF's independence



EXTERNAL INVESTIGATIONS

OLAF cannot and may not fight EU-fraud alone:
80 % of the EU expenses are administered by the MS

National law enforcement services are OLAF's key partners

Cooperation is crucial:

- Own resources (smuggling)
- Common Agricultural Policy
- Structural Funds
- Indirect taxation



Cooperation adds value:

- Pre-Accession Instruments (Phare)
- External action (development aid)
- Other direct expenditure (R&D)

OLAF has no
judicial powers

STATUS VS NATURE OF WORK



OBJECTIVES AND TASKS



fights against

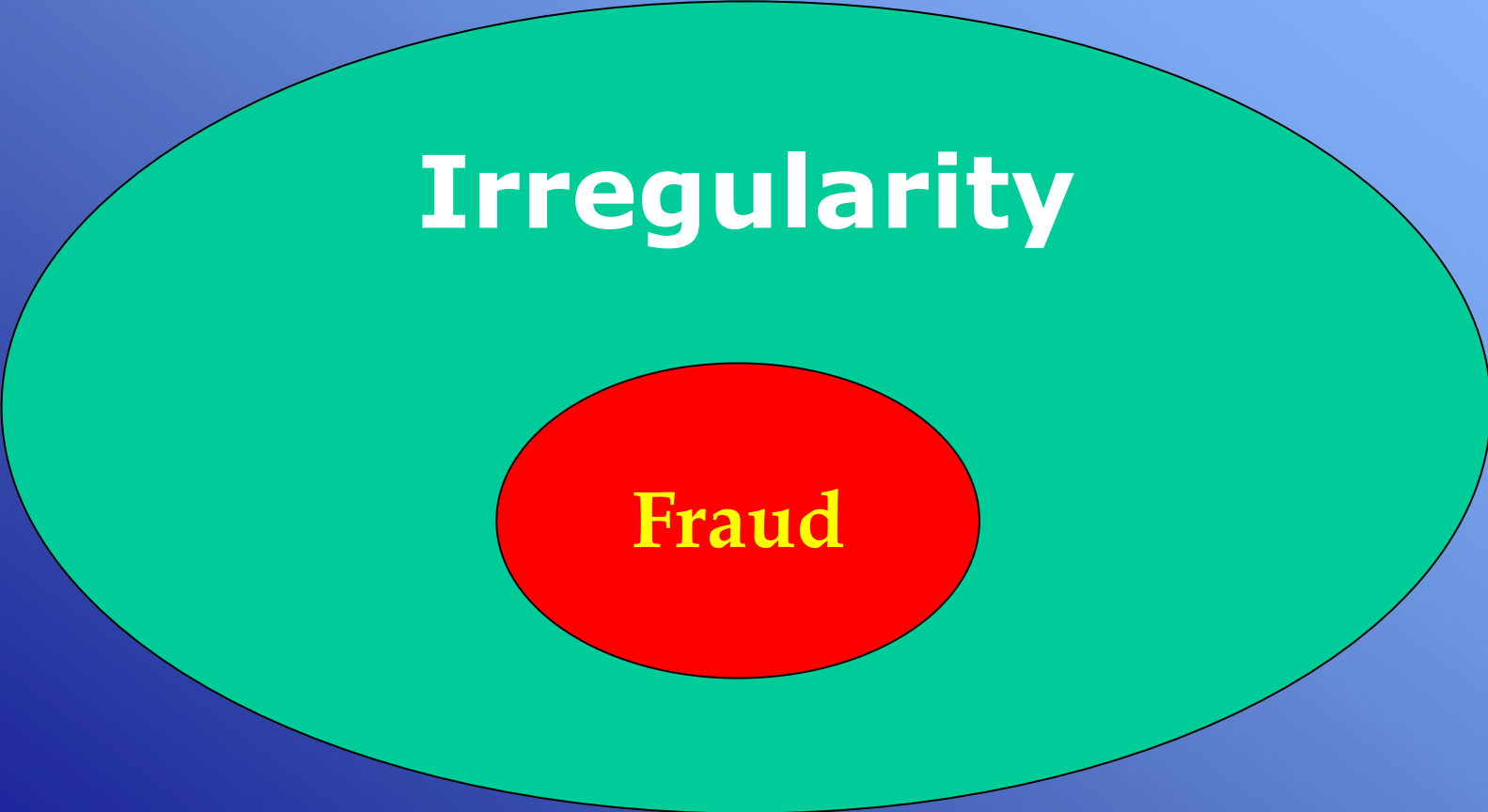
Any illegal activity
against
EU financial interests

Serious wrongdoings
of EU staff

Corruption

Fraud

WHAT AFFECTS THE EU FINANCIAL INTERESTS



A Venn diagram consisting of two overlapping ellipses. The larger, outer ellipse is teal and contains the word 'Irregularity' in white. The smaller, inner ellipse is red and contains the word 'Fraud' in yellow. The two ellipses overlap in the center.

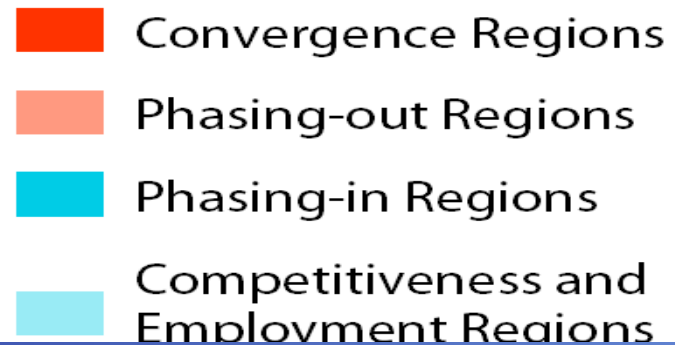
Irregularity

Fraud

Active investigations at the end of 2009 in Member States and Candidate

Status of Country	Country involved	Total
Member State	Austria	11
	Belgium	48
	Bulgaria	68
	Cyprus	7
	Czech Republic	3
	Denmark	0
	Estonia	1
	Finland	0
	France	22
	Germany	22
	Greece	14
	Hungary	5
	Ireland	5
	Italy	36
	Latvia	3
	Lithuania	4
	Luxembourg	10
	Malta	2
	Netherlands	15
	Poland	12
	Portugal	7
	Romania	18
	Slovakia	4
	Slovenia	2
	Spain	17
	Sweden	2
	United Kingdom	16
	<i>Sub Total</i>	354
Candidate Country	Croatia	1
	Former Yugoslav Republic of Macedonia	2
	Turkey	12
	<i>Sub Total</i>	15

Structural Funds Program Period 2007-2013



Tot.: EUR 347.4 Billions

Convergence: EUR 199.3 Billi.s

Choesion Fund EUR 69.6Bill.s

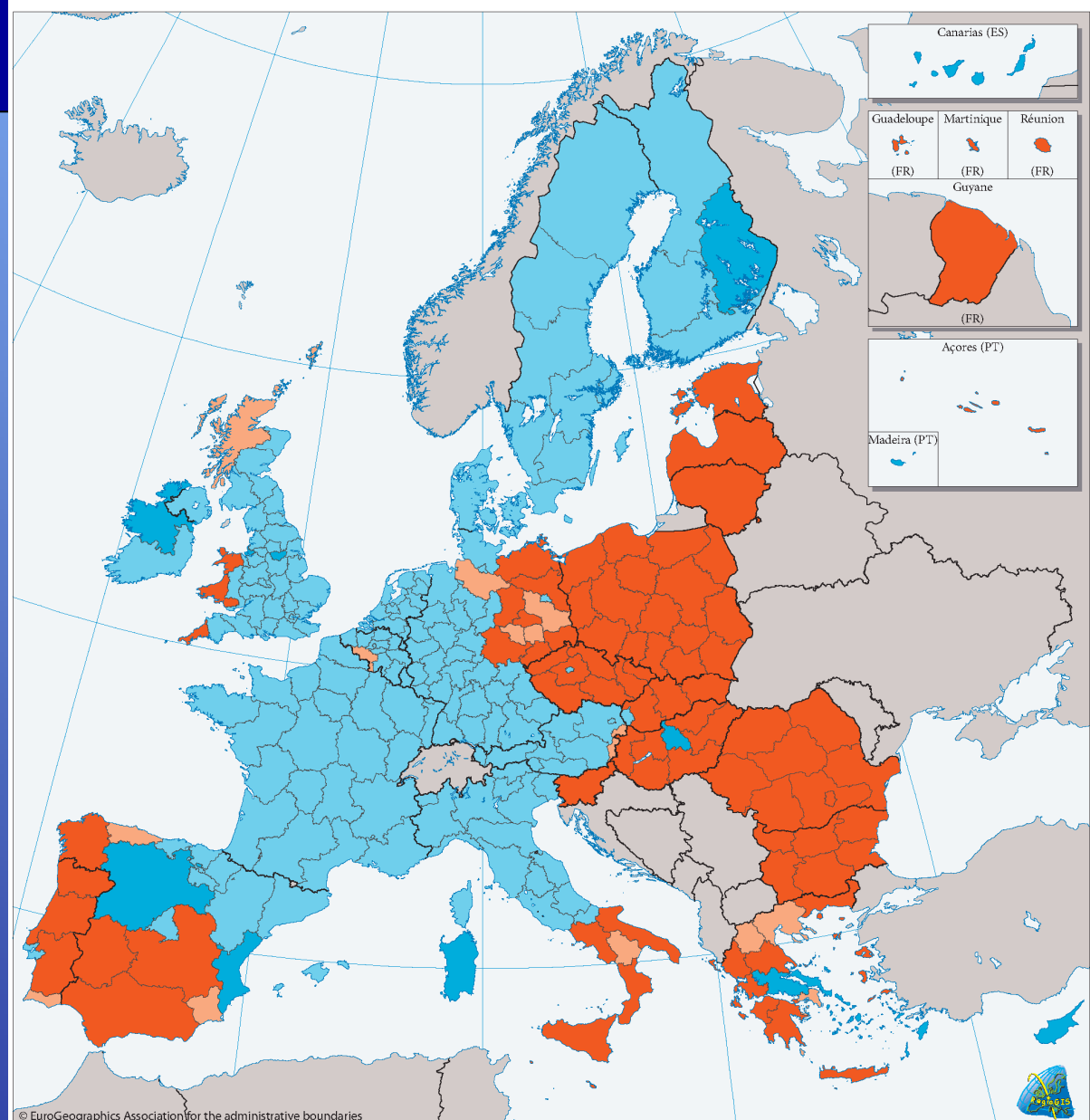
Phasing out: EUR 13.9Bill.s

Phasing in: EUR 11.4 Billi.s

Competitiveness: EUR 4.5 Billi.s

Cooperation: EUR 7.8 Bill.s

in current prices



WHO IS RESPONSIBLE FOR FRAUD/CORRUPTION PREVENTION?

	MEMBER STATES	COMMISSION	OLAF
FRAUD PREVENTION			
FRAUD DETECTION AND REPRESSION			

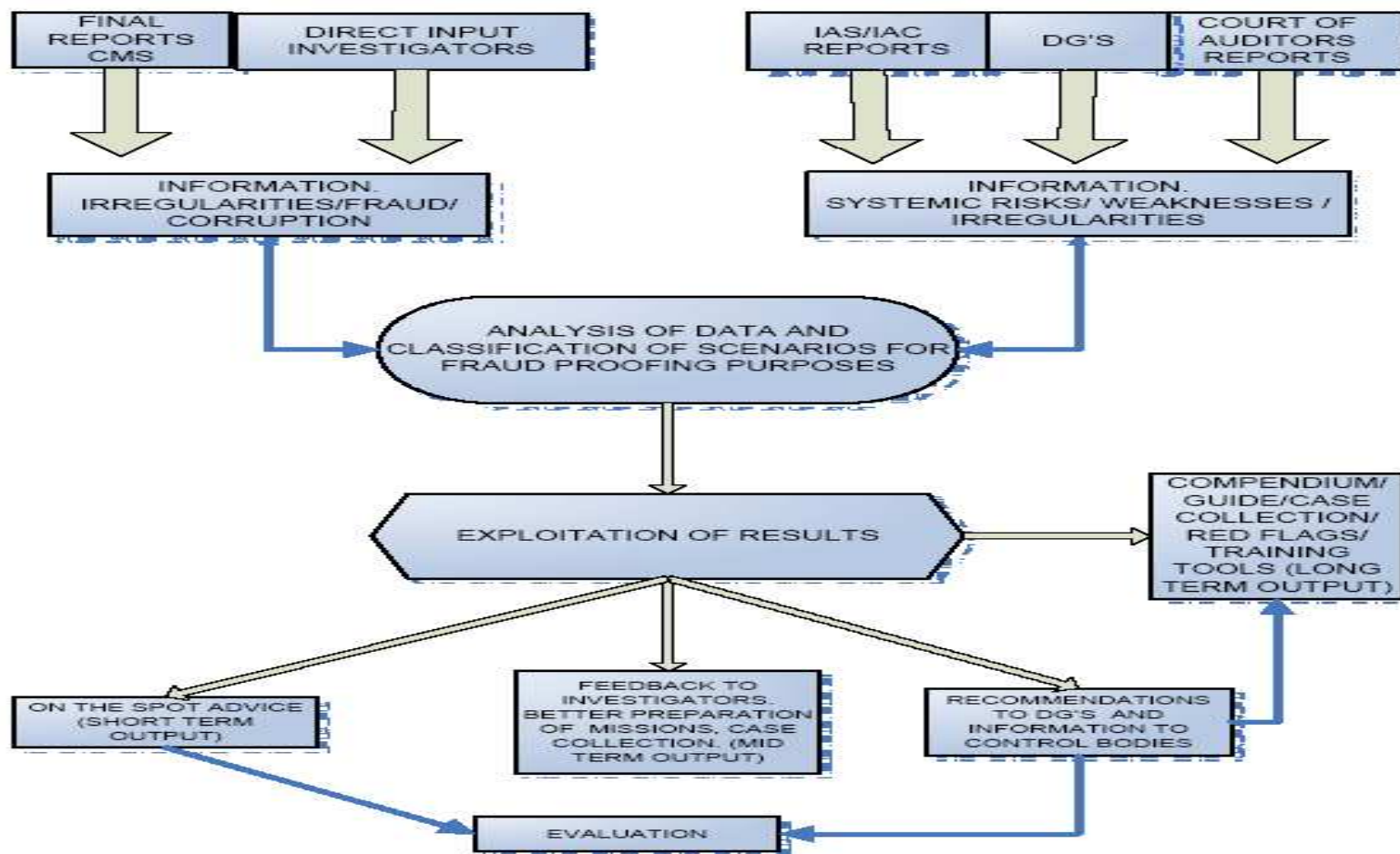
OLAF'S CONTRIBUTION TO THE JFPS

New JFPS 2010-2011

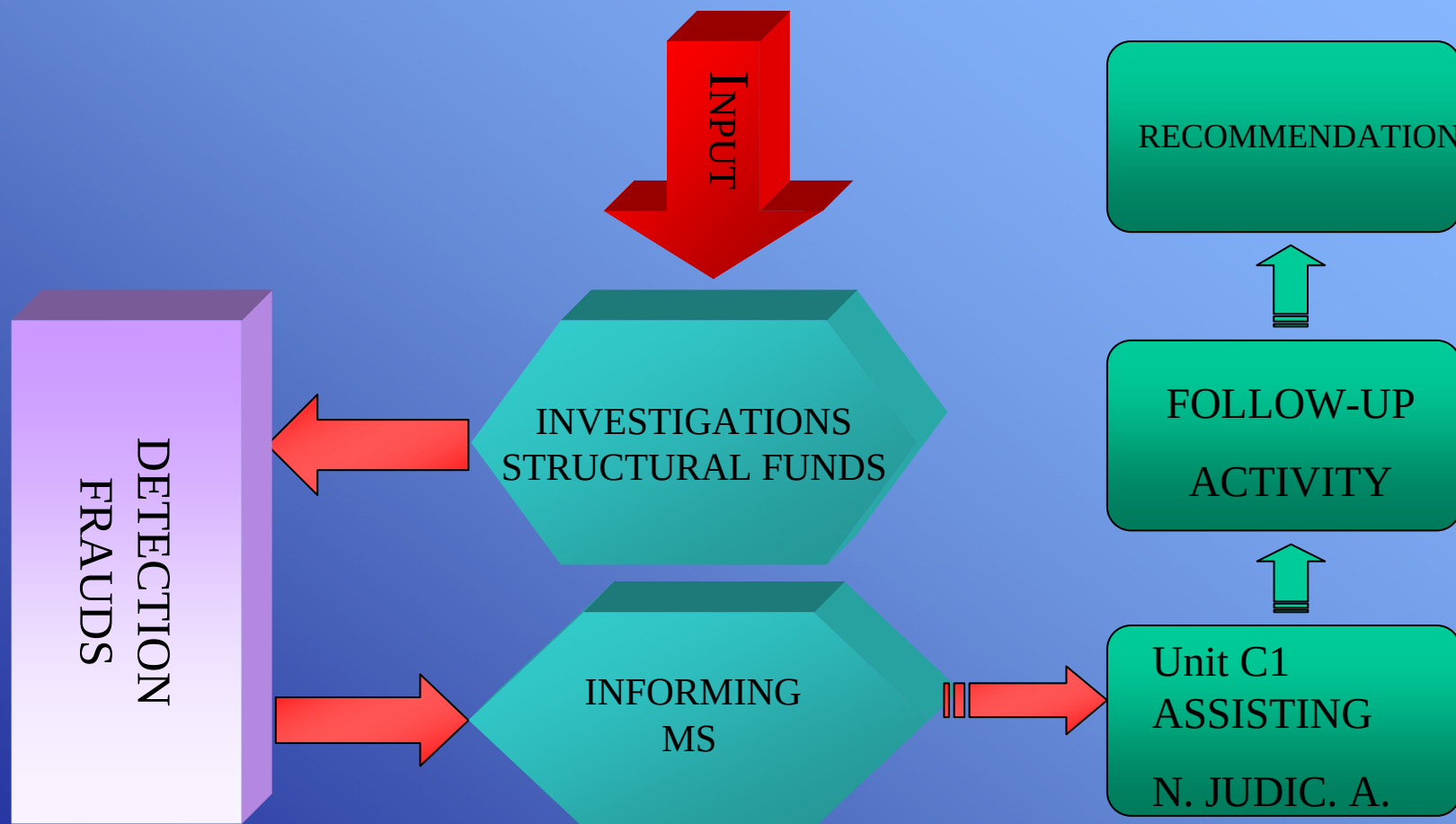
	Reinforcing risk assessment	Guidance for fraud detection	Support to MS	Awareness raising (int. / ext.)	Activities precedent to JFPS
Fraud proofing					
PIF Report (Statistical annex)					
Compendium of common cases					
Bilateral coordination meetings					
Region / country risk assessment					
Assistance in training events					

FRAUD PROOFING METHODOLOGY

NEW FRAUD PROOFING APPROACH : EXPLOITATION OF RESULTS



OLAF's COUNTERING ACTIVITY



Prevention activity

- ❖ is at least as important as investigating fraud
- ❖ is a very effective and efficient way of deterring corruption

OLAF can play an important role

- ❖ in fraud/corruption detection (investigative activity),
- ❖ through concrete activities to enhance risk assessments and raise the level of awareness within the Commission and in the Member States



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