

# Eurojust supports 18 restrictive measures against tax fraud

□The Hague, 12 June 2019

✘Eurojust helped the Italian national authorities to crack down on an organised crime group involved in large-scale tax fraud and other financial crimes. 17 people were placed under restrictive measures in Italy and 1 was arrested in the UK through the execution of a European Arrest Warrant. The estimated damage, caused by tax evasion and other criminal activities, amounts to over €80 million. Today's successful operation was the result of a highly complex and lengthy cross-border investigation, which would have not been possible without Eurojust's close cooperation.

The Public Prosecutor's Office (PPO) and Financial Police (*Guardia di Finanza*) of Udine today held a press conference on the crackdown of an organised crime group (OCG) suspected of VAT and excise tax evasion in Italy. The OCG was supported by various criminal cells in the UK and several other EU countries. The investigations into the OCG were initiated back in 2017.

In July 2017, Eurojust, the EU's Judicial Cooperation Unit, swiftly set up a coordination centre to facilitate the execution of Letters of Request (LoRs) towards 17 EU countries and the gathering of sufficient evidence to help national authorities advance their criminal investigations. Eurojust closely coordinated the national investigations, serving as a platform to efficiently exchange information and evidence, and agree on joint prosecutorial strategies and operational actions, including simultaneous searches carried out in several EU countries. Eurojust also assisted the Italian authorities in quickly issuing and safely transmitting 2 European Arrest Warrants towards the British authorities and 17 LoRs to the EU countries concerned.

The OCG, which was headed by UK nationals and composed of Italian nationals, expanded its criminal activities to numerous EU countries. The fraudsters were involved in a carousel scam involving real and fake alcoholic drink companies in Italy and the 17 EU countries involved. The OCG members took advantage of loopholes in tax regulation at EU level, such as the exemption from paying VAT or excise tax for transactions within the European Union, to evade taxes on the trade of alcohol. The criminals also benefitted from the possibility to justify the illegal distribution of alcohol, from almost anywhere in the EU countries concerned, by exploiting the [EU's Excise Movement and Control System \(EMCS\)](#).

The OCG members are accused of having participated in a criminal organisation to commit excise and VAT fraud, as well as large-scale money laundering, affecting the financial interests of the European Union, and other related crimes.

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