

# EU budget: €181 million to strengthen the fight against fraud affecting the EU budget

The new EU Anti-Fraud Programme will finance targeted training and the exchange of information and best practice between anti-fraud enforcers across Europe. It will also provide support for investigative activities through the purchase of technical equipment used in detecting and investigating fraud, as well as facilitate access to secure information systems.

*“The new EU Anti-Fraud Programme will make a tangible contribution to boosting the fight against fraud and corruption to the detriment of the EU budget. Reinforcing cooperation between Member States enforcers and providing them with state of the art investigative tools can make all the difference in identifying fraudsters, stopping smugglers, or preventing corruption in procurement procedures”* said GüntherH. **Oettinger**, European Commissioner for Budget and Human Resources.

The **specific objectives** of the Programme will be threefold, as illustrated below:



The new Programme will replace the Hercule III Programme which has already had a positive impact on the fight against fraud affecting the EU budget at national and local level in recent years. Examples of successful projects include the funding of digital forensic equipment that has proven essential in allowing French customs stay ahead of the game in customs operations targeting smuggling and the evasion of VAT duties in 2016; funding for the training of sniffer dogs that helped Greek customs seize 250 million illicit cigarettes in 2016; and the development of advanced IT tools that have allowed enforcers across Europe to detect anomalies in trade flows and to uncover major cases of import fraud concerning textiles and footwear in 2017.

The funds to be made available under the new EU Anti-Fraud Programme will finance similar projects, as well as training and expert conferences that will foster information exchange and transnational cooperation. The Programme

will also support the joint investigative efforts of Member States' customs authorities, since such joint operations are key in dismantling criminal networks operating across borders. The Programme is expected to bring significant added-value by complementing and supporting national efforts to counter fraud and corruption.

## **Background**

In addition to activities previously funded under the Hercule III Programme, the new EU Anti-Fraud Programme will provide support for operational and investigative activities, including through the provision of secure IT systems, and facilitate irregularity reporting by Member States and risk management at national level. The Programme will be managed and implemented by the European Anti-Fraud Office, OLAF.

Today's proposal related to the new EU Anti-Fraud Programme is part of the Commission's proposal for the next long-term EU budget adopted by the Commission on 2 May 2018.

The action to safeguard the Union's financial interests through the new reinforced and streamlined funding programme, forms part of a wider approach pursuing the same objective. The next long-term EU budget will be implemented against the background of significant changes in the legislative and institutional framework for the protection of the Union's financial interests.

For instance, the [Commission's proposal](#) of 23 May 2018 to amend the "OLAF Regulation"[\[1\]](#) aims at ensuring the close collaboration between OLAF and the newly established European Public Prosecutor's Office (EPPO)[\[2\]](#) when it comes to detecting and investigating fraud concerning the EU's financial interests across the EU. Other actions include the implementation of the Directive on the fight against fraud to the Union's financial interests by means of criminal law (the "PIF Directive")[\[3\]](#).

## **Next steps**

A swift agreement on the overall long-term EU budget and its sectoral proposals is essential to ensure that EU funds start delivering results on the ground as soon as possible.

Delays similar to the ones experienced at the beginning of the current 2014-2020 budgetary period would mean that important investigative and forensic equipment could not be bought and less support would be available for Member States enforcers. This would have a negative impact on the fight against fraud, at the expense of EU taxpayers.

An agreement on the next long-term budget in 2019 would provide for a seamless transition between the current long-term budget (2014-2020) and the new one and would ensure predictability and continuity of funding to the benefit of all.

## **For More Information**

[\[1\]](#) Regulation (EU, Euratom) 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council Regulation (Euratom) No 1074/1999

[\[2\]](#) Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office.

[\[3\]](#) Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law, (OJ L 198, 28.7.2017, p. 29).