

Multiple fraud case unraveled in France

□Action day launched simultaneously in 16 European States by a French investigative judge with the support of Eurojust

26 April 2018

On 11 April, the large-scale 'Carton Rouge' operation was initiated by a French Investigative Judge from the Interregional Specialised Jurisdiction of Nancy (JIRS) in cooperation with the French Desk at Eurojust, leading to the arrest of 9 suspects in Paris and Marseille, the freezing of numerous bank accounts, as well as the blocking of internet sites throughout Europe. The organised crime group (OCG) behind this far-reaching swindling case is suspected of having committed the crimes of fraud, bank fraud, embezzlement, money laundering and participation in a criminal organisation.

Upon the French investigative judge's request, a case was opened at Eurojust in February 2018, initially involving two Member States. As the case evolved, the number of affected States rose to 16 (15 Member States and 1 third State). Eurojust assisted in the timely and efficient implementation of all necessary legal instruments, such as the execution of European Investigation Orders, and effectively responded to urgent requests for mutual legal assistance. On the action day, under Eurojust's coordination, national judicial and law enforcement authorities were mobilised across France and bank accounts of the OCG were frozen in several States. Eurojust's increased operational flexibility allowed once more for a highly successful outcome.

In the period between August and November 2017, the members of the OCG impersonated football agents who contacted 15 different French football clubs, claiming that certain football players' bank accounts had changed and, therefore, the footballers' salaries needed to be transferred to their allegedly new bank accounts. This fraudulently acquired capital was then further wired from those temporary accounts to accounts in Bulgaria and Malta for money laundering purposes.

In the course of the investigation, the French national authorities discovered a parallel swindle performed by the same perpetrators, involving a fake diamonds scheme. The victims were deceived into investing in non-existent diamonds to be supposedly resold at an 8 per cent profit, but never derived any benefit from the fictitious deal. The victims were tricked into investing their capital in bank accounts outside French territory.

A similar fraud case, performed by the same OCG, using bitcoins instead of diamonds, was also revealed to the investigating authorities. The proceeds of the OCG yielded by all three illegal activities amount to an estimated total of EUR 2 million, to the detriment of approximately 50 victims.