

Six arrested for siphoning €12 million in fraudulent COVID-19 unemployment payments from France

Close to €2 million worth in cash was seized and over €6 million on bank accounts recovered as result of this coordinated action

On 16 June, officers from the **French National Gendarmerie** (Gendarmerie Nationale) and the **Israeli Police** (מטרת ממשלת ישראל) closed in on the members of an organised crime group running a sophisticated benefit fraud scheme on either side the Mediterranean Sea. A total of six individuals were arrested in various locations across France.

This criminal syndicate is believed to have swindled the French State out of €12 million in COVID-19 unemployment benefits by using 3 600 shell companies to claim the payments. The fraudulently obtained benefits were paid onto French bank accounts, before being immediately transferred abroad and moved across Europe before being exchanged into virtual currencies.

The main suspect – a 30-year-old Franco-Israeli citizen – and his wife were arrested in Replonges (France) close to the Swiss border on 16 June at 05:00 am while trying to flee to Geneva where they were planning to take a flight to Tel-Aviv booked at the last minute.

An hour later, officers from the Gendarmerie's Central Office for Combatting Illegal Labour (OCLTI) and Research Section of Toulouse (SR Toulouse) raided several addresses across Paris (19th arrondissement) and its suburbs (Pantin) to arrest their accomplices – all family relatives, and carry out searches to locate, among other things, the place where a large sum of money was believed to be hidden.

The cash was found on that same evening in a private parking lot in the 19th arrondissement of Paris). A total of €1 765 630 and US\$ 3 420 in cash was discovered hidden in fireproof and waterproof bags. A pouch containing three luxury watches worth €230 000 and jewellery worth €30 000 was also found at the same location.

Besides these seizures, the French authorities also recovered over €6,2 million on bank accounts owned by this criminal group.

In parallel to the actions in France, the Israeli Police took action against the members of this same criminal group located in Israel. An accomplice was detained, and a call centre believed to have been used to organise these large – scale scams was searched in the city of Netanya. Phones and high-tech IT devices were seized on this occasion.

Europol's support

Europol's support was instrumental in the success of this case:

- **Europol's European Financial and Economic Crime Centre (EFECC)** performed a financial analysis detailing the scheme used by these criminals to launder their proceeds of crime;
- **Europol's European Cybercrime Centre (EC3)** performed a crypto asset tracing analysis;
- Two operational meetings were organised by Europol to bring together the national investigators to prepare for the action day. Since then, Europol has provided continuous intelligence development to support the field investigators;
- A Europol specialist was deployed to Paris to support the French authorities with the action day.

This operation was carried out in the framework of the European Multidisciplinary Platform Against Criminal Threats (EMPACT).



In 2010 the European Union set up a [four-year Policy Cycle](#) to ensure greater continuity in the fight against serious international and organised crime. In 2017 the Council of the EU decided to continue the EU Policy Cycle for the 2018 – 2021 period. It aims to tackle the most significant threats posed by organised and serious international crime to the EU. This is achieved by improving and strengthening cooperation between the relevant services of EU Member States, institutions and agencies, as well as non-EU countries and organisations, including the private sector where relevant. Criminal finances is one of the priorities for the Policy Cycle.