

Protecting EU Taxpayer Money together with Global Partners

25 Years of International Relations of the European Anti-Fraud Office



Article

Lukáš Jelínek, Clemens Kreith *

ABSTRACT

The European Anti-Fraud Office (OLAF) was created 25 years ago, in 1999, to fight fraud, corruption, and any other illegal activities affecting the EU budget. While there are several anti-fraud actors at EU level, OLAF is unique with regard to its international activities. In particular, OLAF is mandated to conduct investigative activities directly on territory outside the EU. Against this background, the article traces the evolution of the EU legal framework for OLAF's international investigations and the parallel development of OLAF's international relations in practice. The analysis of OLAF's engagement with international partners focuses on several key activities of the Office to protect EU funds abroad, especially negotiating anti-fraud provisions in international instruments, concluding administrative cooperation arrangements with non-EU countries and international organisations, and building networks of partners around the globe. Looking back at the past quarter of a century, the article demonstrates that many features which are hallmarks of OLAF's international relations today can be traced back to the early years of the Office. The article also shows how these practices have grown and matured over time.

AUTHORS

Lukáš Jelínek

Deputy Head of Unit
European Commission / European
Anti-Fraud Office (OLAF)

Clemens Kreith

Team Leader of the International
Relations Team
European Commission/European Anti-
Fraud Office (OLAF)

CITATION SUGGESTION

L. Jelínek, C. Kreith, "Protecting EU
Taxpayer Money together with Global
Partners", 2024, Vol. 19(4), eucrim,
pp324–333. DOI: <https://doi.org/10.30709/eucrim-2024-025>

Published in

2024, Vol. 19(4) eucrim pp 324 – 333

ISSN: 1862-6947

<https://eucrim.eu>



I. Introduction

In 1999, in the aftermath of the Santer Commission scandal, a Directorate of the Secretariat General of the European Commission was hastily converted into a fully-fledged Directorate-General *sui generis*. From its modest beginnings a decade earlier as a mere unit for the coordination of the fight against fraud with only 10 staff members, the then Anti-Fraud Coordination Unit (UCLAF) became the European Anti-Fraud Office (OLAF). At that time, few people could have imagined that a quarter of a century later OLAF would become one of the frontrunners of international cooperation and a model for similar entities established both at national and international level. Yet, when OLAF was set up, very little attention was paid to the Office's investigative powers beyond the borders of the EU. Instead, OLAF was given two seemingly straightforward tasks: to protect EU taxpayer money against fraudsters *wherever the money goes*; and to protect the reputation of EU institutions against misconduct of its members and staff *wherever the misconduct happens*.

Among the anti-fraud actors established at EU level, including Europol, Eurojust, the European Public Prosecutor's Office (EPPO), and to a certain extent the European Court of Auditors, OLAF is unique with regard to its international activities in two aspects:

- OLAF is mandated to conduct investigative activities directly on the territory of third countries and vis-a-vis international organisations.
- OLAF does not have a legal personality and acts as part of the Commission, not on its behalf.

In a former *eucrim* article on OLAF's investigations outside the EU, *Claire Scharf-Kröner and Jennifer Seyderhelm* already provided a snapshot of OLAF's international investigations and the underlying legal basis for investigative work outside the EU.¹ The present article therefore aims to complement the static dimension of the previous article with a dynamic perspective on the evolution of the legal framework and the parallel development of OLAF's international relations in practice.

To this end, the article will first examine the development of OLAF's basis for investigative powers in third countries within the EU's legal framework since the establishment of the Office in 1999. In the second part, the article will shed light on some practical aspects of OLAF's international relations, in particular regarding the protection of EU financial interests on the expenditure side of the budget (e.g., EU funds).² This will be done by tracing the evolution of three characteristic activities that have defined OLAF international engagement over the last 25 years, namely:³

- Including anti-fraud provisions in international instruments;
- Negotiating administrative cooperation arrangements;
- Building global and regional partner networks.

Looking back, the article will show that many features which define OLAF's international relations today have their foundation in the early years of the Office, even though they have gradually grown, expanded, and matured over the last quarter of a century.

II. Development of the Legal Framework for OLAF Investigations Outside the EU

By its Decision 1999/352,⁴ the European Commission established OLAF as an investigative office whose mandate goes beyond the protection of EU financial interests.⁵ Since 1999, the core legislation governing the Office's activities has nonetheless been based on the EU's primary law provision on countering fraud, i.e., Art. 280 of the Treaty establishing the European Community under the Amsterdam Treaty and – following the Lisbon Treaty – Art. 325 of the Treaty on the Functioning of the EU (TFEU). Even today, the protection of EU financial interests remains the main focus of the Office's external investigations carried out in accordance with Art. 3 of Regulation 883/2013⁶ – OLAF's current main legal basis. Although the wording of Art. 325 TFEU refers to an EU *internal* shared competence, it also implicitly contains an external aspect.⁷

1. UCLAF powers

Even before the establishment of OLAF and before the Treaty of Amsterdam introduced the protection of EU financial interests as a competence shared between the EU and its Member States, UCLAF was able to exercise certain investigative powers in third countries. Regulation 945/87,⁸ adopted by unanimity on the basis of what is now Art. 352 TFEU, introduced, under Art. 15b of Regulation (EEC) No 1468/81⁹, a specific power of the Commission under which Commission officials were mandated to lead "Community administrative and investigative cooperation missions" in third countries in coordination and close cooperation with the competent authorities of the Member States. The same power is still exercised by OLAF investigators under Art. 20 of Regulation 515/97 in investigations in the area of fraud on customs and anti-dumping duties. In addition, Art. 8(5) of Regulation No 2185/96¹⁰, also adopted by unanimity on the basis of what is now Art. 352 TFEU, recognised the possibility that Commission inspectors could carry out inspections outside of EU territory, but did not provide for any further conditions under which such inspections could be conducted.

2. OLAF powers under the founding 1999 Regulations

Hence, as UCLAF powers were rather limited, it was only by establishing OLAF and adopting legislation pursuant to the legal basis introduced by the Amsterdam Treaty in 1999, the foundations of truly independent international anti-fraud investigations carried out by EU staff were laid. Since then, legal acts have been providing gradually more detailed rules for OLAF investigations.

The twin Regulations 1073/1999¹¹ and 1074/1999¹² (hereinafter "the 1999 Regulations") established a general framework for OLAF's actions when the Office was created within the framework of the Amsterdam Treaty. Art. 1(1) of the 1999 Regulations confirmed the transition of the Commission's investigative powers to OLAF based on EU "rules and Regulations and agreements in force". Art. 3 of the 1999 Regulations merely incorporated the pre-existing Commission investigative powers under Regulation 2185/96, as well as those governed by Regulation (EC, Euratom) No 2988/95 and the sectoral rules referred to in its Art. 9(2).¹³ However, for the first time and *in addition* to these pre-existing rules, the 1999 Regulations explicitly referred to the power to carry out on-the-spot checks and inspections under those rules in third countries "in accordance with the cooperation agreements in force". Back then, the 1999 Regulations remained silent on possible OLAF powers vis-à-vis international organisations. They also did not mention other investigative powers within the territory of third countries, such as witness interviews. The third Recital of the 1999 Regulations nonetheless mentioned that "all available means must be deployed fully to attain [the] objective [of the protection of the EU's financial interests]." Art. 2 of the 1999 Regulations then defined administrative investigations as "all inspections, checks and other measures undertaken by employees of the Office in the

performance of their duties, in accordance with Arts. 3 and 4, with a view to achieving the objectives set out in [the Regulation] and to establishing, where necessary, the irregular nature of the activities under investigation.”¹⁴ The General Court later confirmed that the enumeration of OLAF powers in the 1999 Regulations was not taxative and the Office was, in principle, entitled to deploy other investigative measures corresponding to those used by national administrative authorities.¹⁵

It should also be noted that the territorial competence of OLAF also extended beyond EU borders in the area of internal investigations under Art. 4 of the OLAF Regulations. Namely, OLAF has the right of immediate and unannounced access to the premises of all EU institutions, bodies, offices, and agencies, including those of the EU Delegations in third countries. For this access, no particular international agreement is necessary, as the Office operates as part of an autonomous institutional internal control mechanism.

3. The further development under the current OLAF Regulation

Regulation 883/2013, which replaced the 1999 Regulations, codified the established practice of OLAF investigations and brought more detailed provisions concerning OLAF (and EU) powers in relation to international actors. The Regulation recognised the necessity for OLAF to be able to engage with the competent authorities of third countries, in particular in the area of external aid (Recital 36). Furthermore, the wording of Art. 3 was supplemented with an explicit reference to international organisations and broadened the relatively narrow notion of “cooperation agreements” as the legal basis of investigative activities to “any other legal instruments in force”.

However, for two reasons even an explicit reference to international agreements could not, in itself, overcome an inherent limitation to OLAF investigations outside the EU territory. First, the system of international agreements in place in 1999 mostly lacked any explicit reference to the Commission’s or OLAF’s investigative powers. In spite of a possible extensive interpretation of the notion of “cooperation agreements in force”, as was done by the European Ombudsman in a case in which the Ombudsman recognised that even an *ad hoc* consent of the third country’s competent authorities to a planned OLAF activity on its territory could uphold the legality of OLAF’s actions,¹⁶ a more permanent recognition of OLAF’s competence had to be progressively negotiated – as will be shown in Section III.1 (“Anti-fraud provisions in international instruments”) below.

Second, the OLAF Regulation and other EU legislation do not apply directly to economic operators on the territory of third countries, and even explicit provisions in international agreements are usually not sufficient to confer an obligation to cooperate with the Office on private persons and entities. It is also important to note that an explicit obligation of economic operators to cooperate with the Office was not introduced until Art. 3(3) of Regulation 883/2013 by Regulation 2020/2223.¹⁷ Before this amendment, the obligation was merely based on private law.

Contractual clauses

The necessity to include relevant contractual clauses in financing and similar agreements under both private and international public law was fully reflected in the framework of the 2012 Financial Regulation: in particular, Arts. 58(3), 126(4), 140(5) of the 2012 version of the Financial Regulation¹⁸ and Arts. 40(g), 180 and 212 of the Implementing Rules¹⁹ obliged the Commission to include provisions regarding OLAF’s competence to conduct investigations in any financing agreement concluded with a third party, including those located in third countries. The 2018 revision of the Financial Regulation further strengthened and clarified the legal framework. Rather than only containing references in various sections, Art. 129 stipulates unequivocally and in one place, i.e., in the Chapter that applies horizontally to all management modes of EU funding, that any recipient of EU funds is obliged to cooperate in the protection of the EU’s financial interests and to

grant the necessary rights and access to OLAF. In addition, for EU funds under direct and indirect management, the 2018 revision of the Financial Regulation introduced a clear reference to the requirement of “cascading down” the access right provisions, if there are one or more intermediaries up to the level of the final recipient of the funds. This requirement applies regardless of whether the recipient is inside or outside the EU.²⁰

Even though a private law obligation may not have the same value as public law or an international agreement between the EU and states, these contractual provisions certainly have specific advantages:

- Global coverage, as they are signed each time the EU makes a financial contribution regardless of the fact whether a corresponding provision of an international agreement for a given third country is in place;
- Enforcement before domestic EU courts, as the governing law of these contracts is the law of one of the Member States, usually Belgium.

In some cases, the Commission also uses this type of contracts in relations with international organisations when they are direct recipients of funds from the EU.

It will therefore remain a priority of OLAF’s international engagement to work with relevant services of the European Commission on the wording of these contractual clauses, as they complement the provisions in international agreements. While the international agreements ensure compatibility of OLAF’s actions with regard to the principle of sovereignty of third countries and privileges and immunities of international organisations, legality of evidence collected, and a legal framework for support by local authorities and exchange of information, the private contracts safeguard the effectiveness of OLAF’s investigative activities outside the EU.

As shown in this section, the evolution of the legal framework over the last 25 years demonstrates that the EU legislator not only recognised the importance of an independent role of OLAF in protecting the EU financial interests on the territory of third countries and vis-à-vis international organisations, but also further clarified OLAF’s competence and powers in that area based on the evolving nature of the EU international engagements. This evolution went hand in hand with increased international OLAF activity and the building of international partnerships, which will be the subject of Section III.

III. OLAF’s International Relations

Adopting a clear basis within the EU’s legal framework for the conduct of OLAF investigations outside of the EU territory would not suffice for the Office to carry out its mandate effectively if there were no anti-fraud provisions in international instruments or if OLAF could not rely on its partners. The dichotomy of the legal basis for OLAF investigations under private contractual law and public international law needs to be complemented by OLAF efforts to formalise the relations with its most prominent partners in third countries and within international organisations and to create more or less formal international multilateral structures for the exchange of expertise and for enhancing mutual trust among like-minded and like-empowered entities.

Therefore, in this section we will take a closer look at the development of OLAF international relations from three angles. These have become the three basic pillars of OLAF’s engagement in international relations and will be explained in more detail in the following subsections:

- Including anti-fraud provisions in international instruments;
- Negotiating administrative cooperation arrangements;

- Building global and regional partner networks.

1. Anti-fraud provisions in international instruments

As mentioned in the previous section, Art. 3 of Regulation 883/2013 enables OLAF to conduct on-the-spot checks outside the EU territory in accordance with relevant legal instruments of international law. In this context, one can broadly distinguish between two categories of instruments: international agreements on the one hand (below a)) and contractual clauses in financing agreements (or similar agreements) on the other (below b)).

The instruments in question do not simply allow for on-the-spot checks, but may also set up some specific procedural requirements. It is important to ensure that such requirements do not substantially derogate from the standard procedures pursuant to Regulation 883/2013. Furthermore, under Art. 129 in conjunction with Arts. 158(7) and 161(2) of the Financial Regulation,²¹ the financing, contribution, and guarantee agreements with third countries and international organisations entrusted with indirect management of EU funds must contain provisions on the right of OLAF to carry out *investigations*, including on-the-spot checks and inspections, in accordance with Regulation 883/2013. In addition, they must grant the necessary rights and access required for OLAF.

a) International agreements

International agreements are negotiated and concluded by the EU, such as partnership and cooperation agreements or association agreements, and create obligations for the contracting parties under international law. Therefore, including specific provisions on anti-fraud cooperation and OLAF's competences in these agreements is of particular value for the Office, as this gives OLAF a sound legal basis for investigations concerning non-EU countries.

Hence, it is a logical priority for OLAF to ensure that these legal instruments contain appropriate provisions for OLAF to discharge its duties and conduct investigations outside the EU territory. In this respect, OLAF can fully take advantage of its dual nature as an independent investigative office and, at the same time, a service of the Commission. In particular, it is able – in its latter capacity – to be part of the Commission negotiation team and directly negotiate the terms under which OLAF, the investigative office, may carry out its independent mandate. As a service of the Commission, OLAF actively engages with the respective lead service responsible for the negotiation of an agreement, usually the European External Action Service, to ensure that provisions on the protection of EU funds, including cooperation with OLAF, are systematically part of bilateral agreements with non-EU countries, which may benefit from financial and technical assistance through the relevant EU funding mechanisms and instruments.²²

Historically, OLAF's involvement in negotiations of international agreements can be traced back to the first few years after the establishment of OLAF, as a comparison between earlier and later agreements shows. For example, the EU–Azerbaijan Partnership and Cooperation Agreement (in force since 1999)²³ or the EU–Egypt Association Agreement (in force since 2004)²⁴ do not contain any specific provisions on the protection of the EU's financial interests.

By contrast, the EU–Ukraine Association Agreement for example, negotiations for which started in 2007 and which was signed in 2014, contains detailed provisions on the protection of the EU's financial interests, including on cooperation with OLAF, such as a requirement to report cases of suspected fraud or to assist OLAF when conducting on-the-spot checks. The agreement also includes wider policy commitments, such as a requirement to align the national legal framework with certain elements of EU legislation on the protection of EU financial interests.²⁵

The association agreements with Georgia (signed in 2014)²⁶ and Moldova (signed in 2014)²⁷ and the EU–Armenia Comprehensive and Enhanced Partnership Agreement (signed in 2017)²⁸ contain similar provisions. Other international agreements vary in the scope of their anti-fraud provisions. For example, the agreements with Kazakhstan²⁹, Afghanistan³⁰, and Uzbekistan³¹ generally include similar provisions regarding practical cooperation with OLAF but do not comprise an alignment of legislation. At a minimum, the agreements negotiated after the establishment of OLAF contain a general reference to cooperation with OLAF (see for example the respective agreements with Mongolia³², Iraq³³, or the Members of the Organisation of African, Caribbean and Pacific States³⁴). The Withdrawal Agreement³⁵ and Trade and Cooperation Agreement³⁶ between the EU and the UK represent specific cases of a general international agreement with detailed provisions on the protection of the EU's financial interests.

Despite the clear value of having such provisions in international agreements, a practical limitation remains the geographic reach of those provisions: there is simply only a certain number of countries the EU has negotiated such international agreements with. Hence, anti-fraud provisions in financing or contribution agreements, which will be discussed in the next subsection, remain important.

b) Financing or contribution agreements

Financing or contribution agreements are concluded with third countries, third country authorities, and international organisations in accordance with the Financial Regulation. They are of a less general nature and usually use specific templates provided by the Commission for that purpose. Guarantee agreements with international organisations or national development banks may also fall within this category of international instruments. Financial framework partnership agreements with individual countries³⁷ or international organisations, which may be of a more permanent nature, again represent a specific group of agreements. Although instrumental to the Financial Regulation, these financing, contribution, and framework agreements also qualify as instruments under international law and fall under the term "other legal instruments in force" referred to in Art. 3 of Regulation 883/2013.

Unlike general international agreements, these agreements only focus on the relations between the Commission as the donor and the third country or the international organisation as the manager of the entrusted funds. For this reason, they are a perfect vehicle for provisions on OLAF. As demonstrated in the template agreement for contributions to international organisations, for example, these provisions in particular include an agreement by the organisation that OLAF may carry out investigations, including on-the-spot checks, and a requirement for the organisation to provide access to information and documents.³⁸ OLAF is usually consulted on the established templates or possible updates to them. The Office is also occasionally associated to the discussions and negotiations with external partners.

An interesting and specific recent example of OLAF's involvement in the negotiation of financing and contribution agreements was the Framework Agreement between the European Union and Ukraine laying down the principles of financial cooperation under the Ukraine Facility concluded in 2024, where OLAF contributed directly to the initial architecture of the agreement. This instrument therefore includes provisions reflecting new OLAF powers introduced by the most recent amendments to Regulation 883/2013 and the establishment of dedicated national data systems facilitating OLAF access to relevant data. Another recent example of international agreements with a limited scope but robust anti-fraud provisions are association agreements to specific EU programmes, such as Horizon Europe. These types of agreements are negotiated individually at a higher political level, and OLAF is not only part of the negotiation team but often contributes directly to the initial agreement architecture.

2. Administrative cooperation arrangements

The aim of OLAF's international relations work is to ensure that cooperation with international partners runs like a well-oiled machine. Using this metaphor, creating an international legal framework resembles the mechanical parts of the machine. Establishing and strengthening relations with individual partners or networks of partners is the oil that keeps the machine running. OLAF officials very quickly realised that they could not fulfil their mandate effectively without cooperating with partners around the globe.

Yet, their ambition to promote international partnerships faced an institutional problem inherent in the unique nature of the Office. As mentioned at the beginning of this article, while OLAF enjoys functional independence from the Commission, it does not have a distinct legal personality and remains an autonomous service of the Commission. The possibilities of formal engagement with external partners have therefore been rather limited. In that respect, memoranda of understanding and administrative arrangements with their simple and legally non-binding character appeared an elegant solution.

Looking back at the history of OLAF, this certainly seems to have been the view of Office officials from the outset. For example, the very first report by OLAF on its operational activities from its establishment in June 1999 to May 2000 mentions that the "Office endeavours to remedy the difficulties inherent in international cooperation by improving relations with non-member countries [...] through a range of administrative agreements and arrangements".³⁹

Subsequent reports describe the implementation of this policy. For example, the report covering activities until June 2004 mentions that, in addition to an agreement with the United Nations, a new cooperative arrangement was signed with the World Bank "to conduct joint investigations based on mutual interest and on identified common needs".⁴⁰ This trend not only continued but also clearly accelerated. In 2007 for example, the Office signed six arrangements in one year – mainly with African partner authorities, but also with one in Latin America.⁴¹

Yet, for a long time, the legislation governing OLAF remained silent on the nature and effects of administrative arrangements that the young Office was so eager to exploit to boost its international standing, not to mention the very procedure under which such an instrument could be concluded. At that time, the Office could only rely on sporadic interpretation provided by the EU judiciary. In general, the conclusion of international agreements is governed by a specific procedure outlined in Art. 218 TFEU. The European Court of Justice has stated that this provision does not only cover documents formally designated as "agreements" but "any undertaking entered into by entities subject to international law which has binding force, whatever its formal designation."⁴² Nonetheless, Advocate General Giuseppe Tesauro clarified in his opinion in Case C-327/91 that there are, on one hand, binding international agreements and "non-binding" gentlemen agreements concluded by bodies empowered to do so, and on the other hand "administrative arrangements" "brought into being by specific administrative entities with a view to establishing forms of cooperation with the authorities of other States having similar powers."⁴³ Such arrangements may then also be concluded by *bodies lacking power to bind* the State effectively at international level; "they amount to concerted practices between authorities which act in the exercise of their discretion and which are therefore acts that are clearly not governed by international law".⁴⁴

Regulation 883/2013 eventually introduced a specific legal basis in Art. 14 enabling the Office to conclude administrative arrangements with authorities in third countries and with international organisations, in particular concerning the "exchange of operational, strategic or technical information". It also defined the term "administrative arrangements" in Point 6 of Art. 2 as "arrangements of a technical and/or operational nature concluded by the Office, which may in particular aim at facilitating the cooperation and the exchange of information between the parties thereto, and which do not create *additional* legal obligations."

To ensure sufficient inter-service coordination in this context, Art. 14 of the Regulation also stipulates that OLAF “shall coordinate its action, as appropriate, with the competent Commission services and with the European External Action Service, in particular before agreeing on such arrangements”. This shows that the legislators clearly recognise the need for OLAF to engage with international actors to support its mandate of conducting investigations independent of the Commission, while at the same time requiring these actions to be well coordinated and in line with wider EU policies on external relations.

As mentioned above, these arrangements do not constitute international agreements as such. But even if administrative cooperation arrangements do not create a “hard” legal basis, they are nevertheless useful tools for strengthening the cooperation with international partners in several ways, both as stand-alone instruments and as a document that further clarifies – at a practical level – the rules stemming from other binding agreements concluded at the EU level. There are mainly three advantages: First, they serve as an expression of a willingness to work together, i.e. they reflect the intentions of the partners to cooperate. In that sense, they have become a useful vehicle of OLAF’s “diplomacy”, even in cases where no cooperation has occurred yet. Second, and more importantly, they set a practical framework for operational exchanges by summarising the mandate and legal framework of the partners, establishing contact points, setting deadlines and practicalities for the exchange of information as well as covering other aspects of cooperation. As such, they serve as an everyday practical tool for investigators, helping them to identify potential partners for their investigations and opening the necessary channels. Third, the very process of negotiating these arrangements is educational on its own and helps to manage expectations for cooperation on both sides and to clarify – or sometimes even resolve – possible different legal interpretation at the outset. The main objective of all administrative arrangements is not to create an additional administrative burden but to clear the way for mutual cooperation.

Fast-forwarding to the present, it becomes evident how the policy of concluding administrative arrangements established in the early days has paid off and created a global network of partner authorities. As of February 2025, OLAF has arrangements in place with 39 authorities around the globe and 17 offices of international organisations, including the United Nations and the World Bank.⁴⁵

3. Global and regional initiatives

As useful as administrative arrangements are, they essentially remain bilateral in nature. Therefore, another focus of OLAF’s international relations work is the creation and strengthening of multilateral or regional networks. Again, the roots of this practice can be traced to the early days of OLAF.

For example, the first Director-General of OLAF, *Franz-Hermann Brüner* was an ardent advocate of increased cooperation among international organisations. In this context, it is interesting to note that around the time of OLAF’s establishment in 1999 similar developments could be witnessed in several international organisations, i.e., the introduction of independent investigative services to fight fraud or other misconduct. The inception of the United Nations Office of Internal Oversight Services in 1994⁴⁶ and the Department of Institutional Integrity (now the Integrity Vice Presidency) at the World Bank in 2001⁴⁷ are cases in point.

Conference of International Investigators (CII)

1999 also saw the creation of the Conference of International Investigators (CII). Faced with similar challenges and opportunities for cooperation, the investigative offices of international organisations came together to exchange good practices and discuss recent developments with view to integrity, fraud, and corruption.⁴⁸ OLAF started to actively engage with the CII community, especially the United Nations and the World Bank. The aim was to create a set of investigative standards that can be used by the respective offices to enhance their effectiveness and facilitate the cooperation.⁴⁹ OLAF even went on to host the 4th edition of

the conference in April 2003, in which participants endorsed these common investigative standards in the form of "Uniform Guidelines for Investigations".⁵⁰

During his mandate as Director-General of OLAF, *Mr Brüner* was considered crucial in promoting the CII community of international investigators in those early years and in expanding the number of organisations participating in the conference. To honour his achievement and commitment to the community, the conference introduced the Franz-Hermann Brüner Memorial Lecture following his death in 2010. Since then, this lecture has been given by distinguished industry professionals, scholars, and dignitaries on the opening day of the conference.⁵¹

As is the case with the policy of concluding administrative cooperation arrangements mentioned above, the measures initiated in the early years are still the foundation for much of the cooperation today. For example, the guidelines mentioned above still exist in an updated form and continue to serve the investigators of international organisations as a benchmark and leading practice.⁵² Similarly, not only does the CII still take place today, its membership has nearly doubled compared to 2004 and now constitutes a thriving community of 57 participating organisations.⁵³

Pilot Group

The same evolution can be observed with regard to initiatives to create regional networks. The foundations for two such networks were laid in the early years of OLAF, which still continue to be a priority of OLAF's international relations today, namely the Pilot Group with African partner countries and the network of relevant authorities in EU candidate countries and potential candidates.

The Pilot Group was first created in 2007 and has been meeting regularly since. It was established to enhance the cooperation between OLAF and African authorities, as well as to increase trans-African cooperation, especially concerning the sharing of experiences and leading practices to prevent, detect, and investigate fraud. The most recent meeting in this format took place in July 2022.⁵⁴

Similarly, engagement with candidate countries and potential candidates as part of the EU enlargement process has been a strategic priority from the very beginning. As with the Pilot Group, the focus not only lies on establishing contacts to facilitate investigative cooperation regarding potential cases of fraud affecting EU funds, but also on the exchange of knowledge and capacity building.

Anti-fraud coordination services

Recognising the crucial importance of helping countries that are in the process of joining the EU, OLAF encouraged candidate countries as early as 2002 to designate an anti-fraud coordination service (AFCOS) with the task of "co-ordinating all legislative, administrative and operational aspects" regarding the protection of EU financial interests, and the Office started to provide specific support measures in this regard.⁵⁵ For example, the Office organised an AFCOS roundtable in October 2002 with participants from all acceding and candidate countries at the time. These efforts soon produced tangible results: By early 2003, 12 countries had nominated an AFCOS.⁵⁶

As the then candidate countries became EU Member States, an interesting situation arose: "new" EU Member States had an AFCOS in place, while "old" EU Member States did not. However, the system of dedicated contacts points for OLAF proved so useful that Regulation 883/2013 introduced a requirement for *all* EU Member States to designate an AFCOS. This makes it an interesting case of a concept being developed originally and specifically in the enlargement context only to be turned into a standard for all EU Member States.

As with other policy areas examined in this section, the story goes on as OLAF continues to work closely with the current candidate countries and potential candidates to support them in their efforts to fulfil the requirements of EU membership in the area of protecting the EU's financial interests. Case in point, the latest edition of a conference bringing together the AFCOS offices (and other relevant authorities) of Member States, candidate countries, and potential candidates took place as recently as October 2024.⁵⁷

Cooperation among the EU anti-fraud actors in the context of Ukraine

Recently, relations with a specific candidate country – Ukraine – served as a possible stepping stone for developing another project of vital EU interest on the list of top priorities of the current Commission: an effective cooperation among the EU anti-fraud actors, namely OLAF, the EPPO, Europol, and Eurojust. This work helped to identify possible areas of synergies in cooperation between the partners and practical ways forward. The experience currently serves as a basis for further discussions on the EU anti-fraud architecture steered by the Commission.

IV. Conclusion

The development of OLAF's international relations has been profoundly marked by the *effet utile* of the protection of the EU's financial interests embedded in Art. 325 TFEU (and its predecessor provisions), and, even more broadly, by the interests of the EU and its citizens in general. The powers, know-how, and reputation of OLAF have evolved hand in hand based on practical imperatives to protect EU taxpayer money (and increasingly the interests of European consumers).

Over the last quarter of a century, the efforts of OLAF in the area of international relations have been focussing on three main objectives: improving the legal framework governing the protection of EU financial interests beyond EU borders, establishing meaningful and trustworthy relations with international partners, and initiating and building up multilateral forums for the exchange of information, best practices, and expertise.

Since the establishment of OLAF, the EU has been steadily expanding its international engagement. Recent international EU initiatives launched in response to new challenges are unprecedented both in nature and scope. For example, in response to Russia's unprovoked war of aggression against Ukraine, the EU mobilised over €134 billion in support to Ukraine and Ukrainians.⁵⁸ In the framework of its Global Gateway initiative, the EU is prepared to deploy around €300 billion for investments in Africa, Asia, and Latin America.⁵⁹

Such an amount of money intended for the public good necessarily attracts the attention of fraudsters. And fraud does not know any boundaries. The European Parliament has therefore repeatedly called for strengthening fraud prevention and ensuring sufficient capacities for fighting fraud. In line with its global engagements, the EU needs to keep pace with new fraud trends to protect the EU reputation and the money of its taxpayers. Without a strong international anti-fraud system in place, without a robust but flexible legal framework, and without reliable and committed international partners, such a task would become nearly impossible.

As this article has demonstrated, many of OLAF's international activities have their roots in the early years of the Office. They have grown, expanded, and matured – but still essentially embody the spirit of the beginning. In that context, OLAF's proactive attitude to international relations, which started taking shape a quarter of a century ago and has become well-established since, is proving more necessary than ever in the current world. The Office's "soft" power of administrative investigations helps overcome territorial boundaries. In addition, OLAF's openness to international alliances with likeminded partners builds trust within the anti-

fraud community. OLAF's determination at the international scene to pursue its mandate wherever EU money goes sends a strong signal to fraudsters that there is no place to hide wherever they go.

1. C. Scharf-Kröner and J. Seyderhelm, "OLAF Investigations Outside the European Union - Practical and Legal Aspects", (2019) *eucrim*, 209. ↵
2. In view of the limited space, this article will have to leave aside an equally dynamic chapter of OLAF's international relations: OLAF's engagement in the area of international customs cooperation, which have included negotiations of protocols on mutual administrative assistance of customs authorities, organisation of joint customs operations and establishment of links with customs authorities around the globe. ↵
3. See in detail section III below. ↵
4. Commission Decision 1999/352/EC, ECSC, Euratom of 28 April 1999 establishing the European Anti-fraud Office (OLAF), OJ L 136, 31.5.1999, 20. ↵
5. See the fifth recital of Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF), OJ L 136, 31.5.1999, 1, and the sixth recital of Regulation (EU, Euratom) No 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 and Council Regulation (Euratom) No 1074/1999, OJ L 248, 18.9.2013, 1. ↵
6. Regulation (EU, Euratom) No 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 and Council Regulation (Euratom) No 1074/1999, OJ L 248, 18.9.2013, 1. ↵
7. See in more detail Scharf-Kröner and Seyderhelm, *op. cit.* (n. 1), 210. ↵
8. Council Regulation (EEC) No 945/87 of 30 March 1987 amending Regulation (EEC) No 1468/81 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs or agricultural matters, OJ L 090, 2.4.1987, 3. ↵
9. Council Regulation (EEC) No 1468/81 of 19 May 1981 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs or agricultural matters, OJ L 144, 2.6.1981, 1. ↵
10. Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities, OJ L 292, 15.11.1996, 2. ↵
11. Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF), OJ L 136, 31.5.1999, 1. ↵
12. Council Regulation (Euratom) No 1074/1999 of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OCAF), OJ L 136, 31.5.1999, 8. ↵
13. Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests, OJ L 312, 23.12.1995, 1. ↵
14. Emphasis added by authors. ↵
15. Judgment of the General Court of 20 July 2016, Case T-483/13, *Oikonomopoulos v Commission*, ECLI:EU:T:2016:421, paras 188 ff. ↵
16. The European Ombudsman in her decision of 13 March 2014, closing inquiry OF/8/2010(VIK)CK, explicitly recognised that "nothing prevents OLAF from conducting an inspection on the basis of a de facto agreement, in this case, the consent given by the competent authorities of Country X." (para. 64), <<https://www.ombudsman.europa.eu/en/decision/en/53814>>. All hyperlinks in this article were last accessed on 18 February 2025. ↵
17. Regulation (EU, Euratom) 2020/2223 of the European Parliament and of the Council of 23 December 2020 amending Regulation (EU, Euratom) No 883/2013, as regards cooperation with the European Public Prosecutor's Office and the effectiveness of the European Anti-Fraud Office investigations, OJ L 437, 28.12.2020, 49. ↵
18. Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, OJ L 298, 26.10.2012, 1. ↵
19. Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union, OJ L 362, 31.12.2012, 1. ↵
20. Art. 129(2) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012, OJ L 193, 30.07.2018, p. 1, stipulated: "Any person or entity receiving Union funds under direct and indirect management shall agree in writing to grant the necessary rights as referred to in paragraph 1 and shall ensure that any third parties involved in the implementation of Union funds grant equivalent rights." ↵
21. Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast), OJ L, 2024/2509, 26.9.2024. ↵
22. Apart from anti-fraud provisions concerning the protection of EU expenditure, many international agreements contain provisions on customs cooperation. However, those are distinct from the provisions discussed here and further analysis of them would go beyond the scope of the article. ↵
23. Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Azerbaijan, of the other part, OJ L 246, 17.9.1999, 3–51. ↵
24. Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Arab Republic of Egypt, of the other part, OJ L 304, 30.9.2004, 39–208. ↵
25. Association Agreement between the European Union and its Member States, of the one part, and Ukraine, of the other part, OJ L 161, 29.5.2014, 3–2137; for the anti-fraud provisions see in particular Title VI as well as Annex XLIII and Annex XLIV. For the dates of the negotiations see:

European Commission - Press release "EU-Ukraine Association Agreement fully enters into force", 1 September 2017, available at: <https://ec.europa.eu/commission/presscorner/api/files/document/print/hu/ip_17_3045/IP_17_3045_EN.pdf>. ↵

26. Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, OJ L 261, 30.8.2014, 4–743. ↵

27. Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part, OJ L 260, 30.8.2014, 4–738. ↵

28. Comprehensive and enhanced Partnership Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Armenia, of the other part, OJ L 23, 26.1.2018, 4–466. ↵

29. Enhanced Partnership and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Kazakhstan, of the other part, OJ L 29, 4.2.2016, 3–150. ↵

30. Cooperation Agreement on Partnership and Development between the European Union and its Member States, of the one part, and the Islamic Republic of Afghanistan, of the other part, OJ L 67, 14.3.2017, 3–30. ↵

31. Proposal for a Council Decision on the signing, on behalf of the European Union, of the Enhanced Partnership and Cooperation Agreement between the European Union, of the one part, and the Republic of Uzbekistan, of the other part COM/2024/471 final; the agreement was initialled but not yet signed. ↵

32. Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and Mongolia, of the other part, OJ L 326, 9.12.2017, 7–35. ↵

33. Partnership and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Iraq, of the other part, OJ L 204, 31.7.2012, 20–130. ↵

34. Partnership Agreement between the European Union and its Member States, of the one part, and the Members of the Organisation of African, Caribbean and Pacific States, of the other part, OJ L, 2023/2862, 28.12.2023. ↵

35. Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, OJ L 29, 31.1.2020, 7–187. ↵

36. Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part, OJ L 149, 30.04.2021, 10–2539. ↵

37. For example, candidate countries or potential candidates that are beneficiaries of the Instrument for Pre-Accession Assistance. ↵

38. See: Contribution Agreement Manual, available at: <https://international-partnerships.ec.europa.eu/system/files/2023-07/contribution-agreement_manual_en.pdf>. ↵

39. Report by the European Anti-Fraud Office, First Report on the operational activities 1 June 1999 – 31 May 2000, pp. 39–40, available at: <https://anti-fraud.ec.europa.eu/document/download/3554f343-9db6-4dfc-8cc8-d90a0e42d93d_en?filename=rep.olaf.2000.en.pdf>. ↵

40. Report by the European Anti-Fraud Office, Fifth Activity Report for the year ending June 2004, p. 51, available at: <https://anti-fraud.ec.europa.eu/document/download/ae3d879c-5430-4056-8d06-a73dc7ce7368_en?filename=rep.olaf.2003.2004.en.pdf>. ↵

41. List of administrative cooperation arrangements signed by OLAF, available at: <https://anti-fraud.ec.europa.eu/document/download/4220e17e-a51e-4bff-8d2b-8e467f59c2bf_en?filename=list_signed_acas_en.pdf>. ↵

42. ECJ, 11 November 1975, Opinion 1/75, *OECD, ECLI:EU:C:1975:145*. ↵

43. Opinion of AG Tesauro, delivered on 16 December 1993 in Case C-327/91, *France v Commission*, ECLI:EU:C:1993:941, para. 22. ↵

44. *Ibid.* ↵

45. List of administrative cooperation arrangements signed by OLAF, *op. cit.* (n. 41). ↵

46. See: <<https://oios.un.org/content/who-we-are>>. ↵

47. The World Bank Group, Annual Report on investigations and sanctions of staff misconduct and fraud and corruption in bank-financed projects, Fiscal Year 2004, p. 1 available at: <<https://thedoctors.worldbank.org/en/doc/b7739244fe434dedb953b51abecb85e1-0090012021/original/INT-FY04-Annual-Report.pdf>>. ↵

48. See: <<https://www.ciinvestigators.org>>. ↵

49. Report of the European Anti-Fraud Office, Third Activity report for the year ending June 2002, p. 15; available at: <https://anti-fraud.ec.europa.eu/document/download/9fbcab19-4f48-44b0-bfa1-27588fd07247_en?filename=rep.olaf.2002.en.pdf>. ↵

50. Report of the European Anti-Fraud Office, Fourth Activity Report for the year ending June 2003, p. 51–52; available at: <https://anti-fraud.ec.europa.eu/document/download/34f4bed5-a012-4df5-b30c-9bc2d2d0800d_en?filename=rep.olaf.2002.2003.en.pdf>. ↵

51. See: <<https://www.ciinvestigators.org/the-memorial-lecture>>. ↵

52. See: <<https://www.ciinvestigators.org/cii-guidelines>>. ↵

53. See: <<https://www.ciinvestigators.org/participating-organisations>>. ↵

54. OLAF Press release No 9/2022, "OLAF meets with African partners to strengthen EU–Africa cooperation in fighting fraud of EU budget", available at: <https://anti-fraud.ec.europa.eu/media-corner/news/olaf-meets-african-partners-strengthen-eu-africa-cooperation-fighting-fraud-eu-budget-2022-06-28_en>. ↵

55. OLAF report for the year ending June 2002, *op. cit.* (n. 49), pp. 30–31. ↵

56. OLAF report for the year ending June 2003, *op. cit.* (n. 50), p. 48. ↵

57. OLAF Press release No 18/2024, "Fighting fraud together", available at: <https://anti-fraud.ec.europa.eu/media-corner/news/fighting-fraud-together-2024-10-18_en>. ↵

58. See European Commission, Factsheet – EU Solidarity with Ukraine, February 2025, available at: <<https://ec.europa.eu/commission/presscorner/api/files/attachment/880467/Factsheet%20-%20EU%20Solidarity%20with%20Ukraine.pdf>>. ↵

59. See European Commission website "Global Gateway", <https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/global-gateway_en>. ↵

* Authors statement

The views expressed in this article are exclusively those of the authors and cannot be attributed to the institution that employs them.

COPYRIGHT/DISCLAIMER

© 2025 The Author(s). Published by the Max Planck Institute for the Study of Crime, Security and Law. This is an open access article published under the terms of the Creative Commons Attribution-NoDerivatives 4.0 International (CC BY-ND 4.0) licence. This permits users to share (copy and redistribute) the material in any medium or format for any purpose, even commercially, provided that appropriate credit is given, a link to the license is provided, and changes are indicated. If users remix, transform, or build upon the material, they may not distribute the modified material. For details, see <https://creativecommons.org/licenses/by-nd/4.0/>.

Views and opinions expressed in the material contained in eucrim are those of the author(s) only and do not necessarily reflect those of the editors, the editorial board, the publisher, the European Union, the European Commission, or other contributors. Sole responsibility lies with the author of the contribution. The publisher and the European Commission are not responsible for any use that may be made of the information contained therein.

About eucrim

eucrim is the leading journal serving as a European forum for insight and debate on criminal and “criministralive” law. For over 20 years, it has brought together practitioners, academics, and policymakers to exchange ideas and shape the future of European justice. From its inception, eucrim has placed focus on the protection of the EU’s financial interests – a key driver of European integration in “criministralive” justice policy.

Editorially reviewed articles published in English, French, or German, are complemented by timely news and analysis of legal and policy developments across Europe.

All content is freely accessible at <https://eucrim.eu>, with four online and print issues published annually.

Stay informed by emailing to eucrim-subscribe@csl.mpg.de to receive alerts for new releases.

The project is co-financed by the [Union Anti-Fraud Programme \(UAFP\)](#), managed by the [European Anti-Fraud Office \(OLAF\)](#).



Co-funded by
the European Union