

34th Annual PIF Report



Thomas Wahl

News

On 27 July 2023, the European Commission adopted the [34th Annual Report on the protection of the European Union's financial interests](#) and the fight against fraud in 2022. For the first time, the report is not only made available in a [PDF format](#) but also in a [digital version](#) that provides additional information through hyperlinks and built-in content. The report provides information on:

- The key measures to prevent and fight fraud at the EU level;
- Member States' measures to protect the EU's financial interests;
- Data on and analytical findings of irregularities and fraud reported by the Member States, including information on OLAF and EPPO investigations;
- Conclusions and recommendations.

The report underlines progress in the overall coherence of anti-fraud legislation across the EU. A key factor for this is the ongoing correction of problems in the transposition of EU rules into national systems. 24 Member States have a strategy in place to increase the protection of the EU's financial interests or are in the process of finalising one. The revision of the Financial Regulation that is currently under discussion will bring improvement, the report writes, in particular as regards better transparency in the use of the EU funds, digitalisation of the fight against fraud and fraud risk management.

Further digitalisation is a key point to ensure more effective and efficient fraud prevention and detection. This is also included in the Commission's Anti-Fraud Strategy which will be followed up in the future.

Regarding the key figures, the report states that the number of cases of fraud and irregularities reported by the competent EU and national authorities – 12,455 in total – slightly increased in 2022 compared to 2021 (+7%). By contrast, the irregular amounts related to these cases decreased to €1.77 billion (-13%).

According to the report, detection and reporting of suspected fraud and irregularities can still be improved, as can their follow-up. There are still significant differences between Member States. It is recommended that those Member States with low incidence of fraud should invest in fraud risk analysis in order to assess as to whether low detection is the result of low levels of actual fraud or the result of systemic weaknesses in detection or reporting systems. Member States should also address more carefully the question of "intentionality" so that fraudulent practices can be better detected. Moreover, Member States should review reporting practices. Further recommendations include the following:

- Ensuring that the digitalisation of the fight against fraud is part of the national anti-fraud strategies. Such strategies should include: (i) identification of existing and future threats arising from new

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technologies; (ii) development of the necessary IT architecture; and (iii) identification and remedy of existing gaps, also in terms of the skills needed.

- Extending national anti-fraud networks with the aim to involve all the relevant law enforcement and judicial authorities as well as proper staffing of the national anti-fraud structures.

As in the previous years, the annual report on the protection of the EU's financial interests is accompanied by several other documents, including:

- [Annex](#) with the number of non-fraudulent and fraudulent irregularities reported by each Member State in 2022;
- [Annual overview with information on the results of the Union anti-fraud programme in 2022](#);
- [Activity report of the EDES Panel](#);
- [Follow-up by the Member States on the recommendations of the PIF Report 2021](#);
- [Measures adopted by the Member States to protect the EU's financial interests in 2022](#) (implementation of Art. 325 TFEU);
- [Statistical evaluation of irregularities reported for 2022](#) (own resources, agriculture, cohesion and fisheries policies, pre-accession and direct expenditure).

For the annual reports of previous years → [eucrim 3/2022, 182-183](#) and the related links there.

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