

EPPO: Operational Activities – Reports from April to July 2022

Thomas Wahl

News

This news item continues the regular overview of EPPO's operational activities in the past months (→ [eucri](#)m 1/2022, 17-18 and [eucri](#)m 4/2021, 210-211). The activities reported in April/May/June/July 2022 include the following:

- 14 July 2022: Croatian authorities [arrest the heads of three Croatian companies](#) who have allegedly been involved in collusive tendering. According to EPPO's investigations so far, the three suspects established deals that ensured that their companies would win bids within the framework of a major EU-funded cohesion project (worth in total €23.7 million).
- 8 July 2022: In an EPPO investigation, the [Guardia di Finanza seizes €2 million in Nuoro/Sardinia](#) (Italy). The investigations deal with the fraudulent obtainment of funds from the European Agricultural Fund for Rural Development. Different Sardinian agricultural companies which were beneficiaries from EU money mutually awarded each other contracts for carrying out the granted installation works and issued invoices for works that were never carried out.
- 7/8 July 2022: Within investigations by the EPPO, Croatian law enforcement authorities [move against a Croatian farmer](#) who illegally obtained or sought to obtain several subsidies for winery projects. However, he submitted false statements and false data in the tenders. An official of the Croatian Ministry of Agriculture assisted in the fraud.
- 29 June 2022: As part of an EPPO investigation, 18 searches are conducted and [12 persons arrested in the Bulgarian towns](#) of Petrich and Obzor. An organised criminal group involving the Head of the Petrich Regional Agricultural State Fund is suspected of having presented false, inaccurate, and incomplete documents/statements in order to receive EU money (around €3 million) from agricultural programmes.
- 28/29 June 2022: An [EPPO-led operation is conducted in Romania and Austria](#) against an organised criminal group. 160 house searches are carried out and 12 defendants are put into pre-trial detention. Criminals allegedly received EU and Romanian funds for the purchase of equipment, although goods or services were either not actually purchased or the same equipment was used in several projects. The [gang operated, inter alia](#), with false declarations, fictitious payments, fictitious companies, and fictitious employments. It is estimated that the damage to the budgets amounts to more than €5 million.
- 28 June 2022: At the request of the EPPO, the [Guardia di Finanza of Palermo takes action against 22 persons](#), including high-level public officials. Money and assets worth approximately €2.5 million are preventively seized. Suspects are accused of having established a scheme of favouring certain private companies in order to receive EU and domestic funding for agriculture and engineering. Officials of

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the authority managing the funds were also involved. Criminal acts include criminal conspiracy, corruption, abuse of office, and forgery.

- 14 June 2022: In the framework of an investigation by the Vilnius office of the EPPO, law enforcement authorities [arrest 15 suspects and carry out more than 50 searches in Lithuania](#). The case involves a public procurement fraud in the field of food and feed safety. It is assumed that the two main suspects illegally enriched themselves by at least €250,000.
- 8 June 2022: Under the lead of the EPPO, Lithuanian law enforcement authorities carry out searches in a [major fraud in procurement for street lightning](#). A member of the municipal public procurement committee is suspected of having created exclusive conditions for another private company participating in the tender for the installation of street lightening in the municipality of Šiauliai. The company was awarded with the procurement contract worth €1.6 million funded by the EU.
- 30 May 2022: The EPPO [indicts three natural persons and one legal person](#) before the specialized criminal court in Slovakia. The accusations concern fraud and VAT evasion for fictitious overevaluation of machinery in Slovakia.
- 25 May 2022: At the request of the EPPO, Romanian law enforcement authorities search several locations in Romania. The [operation tackled an organised criminal group](#) that fraudulently received European funds from the Regional Operation Programme 2014-2020. Suspects developed a scheme of several companies which allowed them to use EU money in other places than granted, manipulate procurement procedures, and receive money for overpriced equipment. The estimated total damage amounts to approximately €3 million.
- 12 May 2022: [German law enforcement authorities raid several premises](#) and houses of suspects involved in a missing trader VAT fraud scheme. The suspects established virtual trading circuits and dummy companies for the sale of luxury cars and medical face masks, thus evading VAT of more than €40 million. The raid led to the arrest of two suspects and the seizure of five cars, real estate, luxury watches, bank accounts, data and documents.
- 29 April 2022: [the Guardia di Finanza in Vicenza, Italy, seizes €470,000](#) as part of an EPPO investigation. The company under investigation allegedly evaded anti-dumping and customs duties by hiding the true origin of imported goods (Tungsten electrodes). Since the company falsely declared Thailand instead of China as the origin of the goods, it was able to benefit from lower duties and thus evaded over €470,000.
- 28 April 2022: [Romanian law enforcement authorities search several locations in Romania](#) and crack down on six persons after investigations by the EPPO had detected fraud in an EU funded project. It is assumed that the beneficiary unjustly obtained over €3 million from EU funds by having used false and inaccurate documents and statements. Since the beneficiary also operated with intermediary companies based in Spain, Portugal and Cyprus, investigative measures were also carried out in these countries by the competent European Delegated Prosecutors on the basis of the cooperation mechanism as provided in the EPPO Regulation.
- 20 April 2022: [Italian law enforcement authorities seize over €2 million in financial assets](#). The investigations against a Venetian company were initiated after a report by OLAF and then continued by the EPPO office in Venice. Investigations revealed that the company imported complete e-bikes from China, but concealed the deliveries by importing the bikes unassembled and in separate shipments. Consequently, the company was able to evade anti-dumping and customs duties of over €2 million.

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