

EPPO's Operational Activities November-December 2022



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European Law Forum: Prevention • Investigation • Prosecution

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News

This news item continues the regular overview of EPPO's operational activities for the period from November to the end of December 2022 (for previous overviews → [euclid 3/2022, 176-177](#); [euclid 2/2022, 97-98](#); [euclid 1/2022, 17-18](#); and [euclid 4/2021, 210-211](#)):

- 29 December 2022: The [EPPO in Zagreb, Croatia, indicts four persons](#) and two legal entities for their involvement in a large procurement fraud in 2017/2018. In November 2021, EPPO's investigations led to the arrest of the suspects, including the former Croatian Minister for Regional Development and EU Funds (→ [euclid 4/2021, 210](#)). All four persons are accused of trading in influence, and of the abuse of office and authority. The estimated damage for the EU budget is at least €1 million.
- 22 December 2022: A judge at the Tribunal in Palermo, Sicily, issued the [first verdict in an EPPO case in Italy](#). The judge sentenced 10 persons to imprisonments. They were involved into an organised tobacco smuggling scheme illegally importing counterfeit cigarettes from North Africa to Sicily and selling them on the retail market. The smuggled cigarettes had a market value of €3.5 million and caused damages of more than €6 million to the national and EU budgets. The judge also ordered the confiscation of one speedboat, 2 vehicles and €16 000 in cash, for a total value of €150 000.
- 19 December 2022: Investigations by the EPPO against an organised criminal group that fraudulently obtained EU and national funds and operated in Austria and Romania leads to the [indictment of 23 persons before the criminal tribunal in Bucharest, Romania](#). On 28/29 June 2022, the EPPO conducted searches against the group and let arrest 12 defendants (→ [euclid 2/2022, 97](#)). The charges include establishing an organised criminal group; using false, inaccurate or incomplete documents or statements to obtain funds from the EU budget; money laundering; and illegally obtaining national funds.
- 19 December 2022: EPPO's office in Bucharest, Romania, [indicts five persons and four companies](#) for having fraudulently received funds for the development of the Danube Delta. The indictment was preceded by the search of several locations in Romania on 25 May 2022 (→ [euclid 2/2022, 97](#)). The damage for the national and EU budgets is estimated at €3 million due to the manipulation of procurement procedures, overpricing and shifting of money.
- 15 December 2022: The EPPO requests the [lifting of immunity of the two Greek MEPs Eva Kaili and Maria Spyrali](#). The reasons behind are investigations suspecting the two MEPs of "fraud detrimental to the EU budget, in relation to the management of the parliamentary allowance, and in particular concerning the remuneration of Accredited Parliamentary Assistants". The investigations are based on an OLAF report concluded in November 2022. [OLAF clarified in a press statement](#) of 16 December 2022 that its investigations have had no link to the so-called "Qatargate" scandal, in which Ms *Kaili* is

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subject to corruption investigations following payments to her by the State of Qatar. In this case, Ms *Kaili* has been put to pre-trial detention upon request by the Belgian authorities.

- 14 December 2022: Upon request by the EPPO, [Italian customs seizes 28 new electric cars](#) imported from China to Italy and destined for Austria in the port of Rome, Italy. The shipment has not been authorized and the real value of the vehicles was not declared correctly. The smugglers expected a dishonest competition advantage in the EU's automobile market.
- 8 December 2022: In the framework of investigations into a major VAT fraud scheme, led by the EPPO in Munich, Germany, one [suspect is arrested in Romania and data, emails, paperwork etc. is seized](#). The investigations target 21 suspects who created fake invoices for Voice over Internet Protocol services, and then claimed the VAT from the tax authorities. Tax losses are estimated at €80 million. Criminal activities spread over Germany, Italy, Malta, Portugal, Romania, Sweden and the UK. Paperwork of the organised crime group has been mainly done in Romania.
- 7 December 2022: In an investigation led by the EPPO, the Portuguese Tax Authority [executes several search warrants in the cities of Aveiro, Porto and Lisbon](#) and arrests three suspects. The investigations concern a major VAT fraud scheme with fuel imports allowing to place fuel on the market at low prices and thus disadvantaging honest economic operators. The damage is estimated at €26 million. Sixteen companies and five individuals are suspected of being involved in criminal activities and [have been indicted](#). Beside the arrests, assets worth nearly €12 million are seized.
- 7 December 2022: The EPPO files an [indictment against the mayor of Brăhăşeşti](#), a rural municipality in the Galaţi county, in Romania, at the Iaşi County Court, for attempted subsidy fraud and forgery of official documents. The mayor is accused of attempting to unlawfully obtain EU funds, under a project to support the initial development of new companies within the local community, financed by the Human Capital Operational Program 2014–2020.
- 6 December 2022: The EPPO brings one company registered in Italy and three individuals before the Iaşi Court, in Romania, for [fraud concerning road modernisation works](#) in the municipality of Ibăneşti, in the Botoşani county. The charges against the defendants include using false documents to obtain funds from the EU budget by falsely declaring works that were not carried out by the builder.
- 5 December 2022: The EPPO has the premises of the French National Assembly and premises in Bordeaux and the surrounding region searched in an [investigation against former French MEP Jacques Colombier](#). The EPPO took over investigations from the Bordeaux public prosecutor's office in July 2021. The investigations relate to the misappropriation of funds due to a suspected fictitious employment of a European Parliamentary assistant in 2018/2019.
- 30 November 2022: The EPPO conducts [searches in several homes and premises in Czechia](#) in a case of suspected subsidy fraud and illegal advantage in public procurement. The case involves the procurement of machinery and means of production funded by the EU in which the suspects artificially increased prices. Seven suspects have been charged and property worth more than €1 million seized.
- 29 November 2022: The EPPO reports on one of its first and major cross-border operations against VAT fraud. The [Operation "Admiral"](#) dismantled a complex organised crime network which traded popular electronic goods after having established a complex VAT carousel fraud scheme. The EPPO stressed that the case had started "small" with an investigation by Portuguese authorities, but after having evoked the case in 2021, the EPPO and its analysts were able to detect connections between the suspected company in Portugal and nearly 9000 other legal entities, and more than 600 natural persons located in different countries. It is believed that Operation Admiral dismantled the [biggest VAT carousel ever](#) investigated in the EU. The damage to the budgets is estimated at €2.2 billion. The criminal activities allegedly took place throughout the 22 EPPO participating Member States, as well as Hungary, Ireland, Sweden and Poland, along with third countries including Albania, China, Mauritius, Serbia, Singapore, Switzerland, Turkey, the United Arab Emirates, the United Kingdom and the United

States. Operation Admiral involved the cooperation of law enforcement authorities in 14 EU Member States and was also supported by Europol.

- 24 November 2022: The Guardia di Finanza [seizes assets worth over €24 million](#) against companies and individuals in Sicily and Southern Italy. The seizure (endorsed by judicial decrees) comes within investigations led by the EPPO, which revealed that two criminal groups allegedly marketed fuel products while evading tax and VAT. EPPO's investigations were assisted by the Economic and Financial Police Unit in Catania of the Guardia di Finanza and the Excise, Customs and Monopolies Agency of the DT7 Sicily – Regional Anti-Fraud Operational Group as well as by the authorities of the countries of origin of the energy products (on the basis of the mutual assistance and administrative cooperation procedures).
 - 24 November 2022: Following a request by the EPPO and the issuance of a judicial decree, the Guardia di Finanza [freezes the bank accounts of an Italian company](#) suspected of fraud involving EU and regional funds of over €70 000. According to the investigations, the funds were used for day-to-day activities, and payment for services provided by companies owned by family members of the directors of the suspected company.
 - 23 November 2022: [Dutch authorities seize thousands of computers](#), mobile phones, perfumes, and banking accounts of a group that allegedly committed VAT fraud. According to EPPO investigations, the group sold perfumes and electronics online without paying VAT to the tax authorities. The scheme involved companies and ghost companies as well as bank accounts in several EU countries.
 - 22 November 2022: The Guardia Civil in Valencia, Spain, carries out searches and [seizes 14 luxury cars](#) in the framework of an EPPO investigation into VAT fraud. An organised crime group allegedly established a scheme of purchase and sales of second-hand luxury vehicles between companies located in different Member States without paying VAT. The estimated budgetary losses amount to €12 million.
 - 15 November 2022: Under the direction of the EPPO, the French customs authorities carry out [several searches in France](#) against an organised criminal group that smuggled fashion items. The companies evaded customs duties for total amount of over €680,000 and import VAT for a total of over €136,000. The authorities seized €40,000 in cash and several luxury goods.
 - 10 November 2022: Within an investigation led by the EPPO, the [Guardia di Finanza seizes banking accounts](#) of an Italian company which allegedly committed aggravated fraud involving EU funds up to €230,000. The company received EU money for a recycling project, but allegedly submitted falsified documents to attest expenses that were never incurred. The seizure served to recover the damages to the national and EU budgets.
 - 2 November 2022: An EPPO investigation into the evasion of customs duties leads to the [seizure of electronic devices and accounting documents in Slovakia](#). Several persons organised the importation of goods from China without paying customs duties and other levies required in the EU. The estimated losses to the EU budget amount to €2.6 million.
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