

# EPPO's Operational Activities: October 2024 - mid-January 2025

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## News

This news item provides an overview of the EPPO's main operational activities from 1 October 2024 to 15 January 2025. It continues the periodic reports of the last issues [euCRIM 3/2024, 181-182](#) and is in reverse chronological order.

- 1 October 2024: Three administrators of two companies importing stainless steel coils are accused of falsifying information on the origin of their products to benefit from duty exemptions and avoid nearly €2.4 million in additional duties introduced by the EU's Anti-Dumping Regulation ((EU) 2016/1036). At the request of the [EPPO in Bologna \(Italy\)](#), the investigating judge orders the preventive seizure of the money in the companies' bank accounts and the seizure of some steel coils from earlier searches.
- 1 October 2024: An investigation by the [EPPO in Milan \(Italy\)](#) into a VAT fraud involving the sale of Voice over Internet Protocol (VoIP) services leads to the arrests of four suspects and the seizure of assets worth up to €97 million. VoIP is a technology allowing users to make calls via the Internet. By setting up several companies, strawmen, and missing traders in various EU Member States, the suspects had claimed VAT tax reimbursements from the tax authorities worth more than €97 million.
- 8 October 2024: The [EPPO in Berlin \(Germany\)](#) and the State Criminal Police Office of Brandenburg carry out searches as part of an investigation into an entrepreneur alleged to have illegally obtained over €1.3 million in subsidies from the European Agricultural Fund for Rural Development (EAFRD) and the Brandenburg state budget for the cultivation of organic fennel. A field visit had revealed that the land was neglected and no harvest made in the designated area.
- 10 October 2024: At the request of the [EPPO in Bologna \(Italy\)](#), Italian authorities seize more than 3.6 million linear meters of fabric, with an estimated value of €4.9 million. The investigation targeted several companies suspected of VAT fraud on illegal imports of textiles from China into the EU, worth around €63 million.
- 11 October 2024: The [EPPO in Sofia \(Bulgaria\)](#) investigates the former mayor, the ex-governor of Varna, and two public officials from the Executive Agency Maritime Administration. The individuals are accused of falsifying official documents and providing false information to obtain funding from the European Maritime and Fisheries Fund in order to improve the infrastructure of a fishing port, which actually did not exist.
- 15 October 2024: The [EPPO in Milan \(Italy\)](#) investigates several individuals suspected of procurement fraud. It is alleged that the same team of consultants had applied for numerous projects financed by the European Social Fund (ESF) and the European Regional Development Fund (ERDF) offering consulting services. By submitting repeated, overlapping proposals in multiple tenders for the same team, their working hours exceeded the monthly maximum of possible working hours.

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- 17 October 2024: An investigation by the [EPPO in Palermo \(Italy\)](#) uncovers a fraudulent scheme involving local politicians and individuals from Sicily. The suspects had allegedly misused more than €8.7 million from the European Social Fund (ESF) intended for vocational training and social projects by diverting it to personal expenses and political campaigns instead.
- 21 October 2024: An investigation by the [EPPO in Rome and Milan \(Italy\)](#) into a €40 million VAT fraud leads to the issuing of a freezing order of €28.8 million. The investigation involves more than 50 defendants involved in the trading of airpods, worth at least €200 million, who had evaded the payment of VAT.
- 24 October 2024: The [EPPO in Zagreb \(Croatia\)](#) launches an investigation against nine Croatian citizens and one legal entity on suspicion of defrauding over €9 million of EU subsidies and forging official documents. The suspects received funding to improve animal welfare in their pig farming, but the necessary improvements were never established.
- 25 October 2024: An investigation by the [EPPO in Bologna and Milan \(Italy\)](#) uncovers a complex scheme of international tax fraud, carried out through numerous missing traders who imported clothing and accessories from China into Italy. The turnover was at least €500 million and involved triangulations with Bulgaria and Greece to hide the origin of the goods, thereby evading the payment of €113 million in VAT and customs duties. The illicit profits were allegedly laundered through a Chinese underground banking network with clandestine branches in Italy and money passing through many European countries before reaching China. Some of the money returned to Italy via banking, where the organisation is alleged of investing it in legitimate commercial businesses.
- 14 November 2024: Operation [Moby Dick](#) investigates more than 195 individuals and more than 400 companies involved in a €520 million VAT fraud. The investigation was led by the EPPO in Milan and Palermo (Italy) with the support of Europol and numerous partners in more than 10 countries; hundreds of police officers conducted more than 160 searches and arrested 43 suspects. The investigation revealed that people linked to several mafia clans invested into a criminal syndicate, which had set up a highly profitable tax evasion scheme committing VAT carousel fraud. A freezing order of €520 million is executed to compensate the damage to the EU and the national budgets.
- 14 November 2024: The [EPPO in Paris \(France\)](#) investigates the illegal import of textiles, garments, and fashion from China into the EU via Greece; approximately €5.2 million in VAT and customs duties was not paid. Applying Art. 31 of the EPPO Regulation, the EPPO in Paris had requested that their colleagues in Greece carry out searches and witness interviews.
- 15 November 2024: The [EPPO in Zagreb \(Croatia\)](#) initiates an investigation against eight individuals, including the Minister of Health and the directors of two hospitals in Zagreb, and two companies on suspicion of accepting and giving bribes as well as abuse of position and authority to prove that certain companies were allowed to sell medical robotic devices at unreasonably inflated prices. The scheme had affected several hospitals in Croatia and other projects co-financed from the Croatian national budget and within the framework of Croatia's National Recovery and Resilience Plan 2021 - 2026, financed by the EU's Recovery and Resilience Facility (RRF).
- 28 November 2024: The [EPPO in Cluj-Napoca \(Romania\)](#) carries out 31 searches in conjunction with an investigation into possible fraud involving works on a Romanian ring road that had been financed with €37 million from the European Regional Development and Cohesion Fund. While the Romanian National Highways and National Roads Company was the beneficiary of the funds, the contract to execute the works was attributed to the Romanian branch of a Chinese company, which hired several subcontractors. It is alleged that these subcontractors colluded with the contractor to present false documents certifying that the works had been successfully completed, but the works did not fulfil the quality standards, and adequate checks had not been carried out by the Romanian National Highways and National Roads Company.

- Between November and December 2024, operations “[Admiral 2](#)” and “[Admiral 3](#)” lead to the further dismantling of criminal networks involved in VAT fraud. The two operations continued the “[Admiral](#)” investigation (November 2022) and are considered part of the largest VAT fraud ever uncovered in the EU, with damages now estimated at €2.9 billion. All “[Admiral](#)” operations were conducted between the EPPO, law enforcement agencies from numerous countries, and [Europol](#). In November 2024, operation *Admiral 2* uncovered another criminal syndicate suspected of a complex VAT fraud scheme involving the trade of popular electronic goods and generating an estimated VAT loss of €297 million. The suspects had established companies in 15 EU Member States, which acted as legitimate suppliers of electronic goods. Although the end customers paid VAT on their purchases, the selling companies failed to fulfil their tax obligations. By disappearing, they avoided paying the amounts owed to the respective national tax authorities. Other companies in the fraudulent chain would subsequently claim VAT reimbursement from these national tax authorities, resulting in an estimated VAT loss of €297 million. The proceeds of these criminal activities were then transferred to offshore accounts. During the days of the operation, the authorities seized a large number of smartphones and other electronic devices worth more than €47.5 million, several luxury cars, and €126,965 in cash; they also froze 62 bank accounts with a total value of more than €5.5 million. In addition, 32 people were arrested. Furthermore, in December 2024, operation *Admiral 3* uncovered a Greece-based syndicate using partly the same organisation and infrastructure as the perpetrators investigated under *Admiral* to carry out a massive VAT carousel fraud causing an estimated damage to the EU and Hellenic budgets of at least €38 million.
  - 6 December 2024: The [EPPO in Berlin \(Germany\)](#) carries out searches at a bank in Munich as part of an investigation into a company's managing director for a possible €200 million VAT fraud. The managing director is suspected of having set up the company for the sole purpose of creating a fictitious business identity to carry out transactions through his company's bank accounts with money obtained from VAT carousel fraud.
  - 6 December 2024: Two suspects are arrested following an investigation by the [EPPO in Munich \(Germany\)](#) into a €32 million cross-border VAT carousel fraud involving the sale of mobile phones. The mobile phones had deliberately not been entered into the accounts and were sold without VAT.
  - 7 January 2025: An investigation by the [EPPO in Madrid \(Spain\)](#) dismantles a transnational criminal network involved in the sale of luxury cars while evading VAT, with an estimated damage in Spain alone amounting to €17 million. As a result, thirty individuals were arrested and 34 properties worth around €11 million, 20 luxury cars, jewellery and high-end watches, and over €300,000 in cash seized. Furthermore, more than 200 bank accounts were blocked in Germany, Lithuania, Portugal, and Spain.
  - 13 January 2025: An investigation by the [EPPO in Sofia \(Bulgaria\)](#) uncovers procurement fraud in a project to design and build signalling and telecommunication systems for the Bulgarian rail network. The contract for the execution of the project, worth over €94.5 million in EU financing, had been awarded to a consortium of four companies claiming to have experience in such work, when in fact they had none.
  - 13 January 2024: Four suspects are arrested in the Netherlands and their bank accounts frozen on suspicion of large-scale customs fraud involving bicycles imported from China. The investigation by the [EPPO in Rotterdam \(Netherlands\)](#) uncovered that the suspects had evaded the payment of a significant share of the import and anti-dumping duties by systematically undervaluing the goods and falsely declaring their origin, causing an estimated damage of approximately €7.2 million.
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