

High-Risk Areas of Corruption in the EU: In-Depth Report Highlights Six Vulnerable Sectors



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News

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A comprehensive [report](#) released in November 2024 and commissioned by the European Commission has mapped and analyzed high-risk areas of corruption in the European Union. The study will feed the EU strategy against corruption, which is prepared by the Commission and will set out actions to prevent and fight corruption in high risk areas.

Produced in collaboration with Ecorys, the University of Gothenburg, and Local Research Correspondents on Corruption (LRCC), the study identified six sectors most susceptible to corruption on the basis of six main criteria: (1) they affect a broad cross-section of populations, communities, employees, and consumers across the EU; (2) have significant cross-border implications within the EU; (3) involve a wide range of public institutions, private companies, professions and disciplines; (4) feature most or all major forms of corruption; (5) have risen on the European and global anti-corruption agendas; and (6) interlink with other areas where corruption is commonplace and damaging.

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Key findings: corruption in six high-risk sectors

• Public procurement

Public procurement represents one of the most corruption-prone activities, due to the vast sums of money involved (approximately €2 trillion annually in the EU). Corruption in this sector often takes the form of bribery, bid rigging, collusion, or embezzlement. The report highlights vulnerabilities stemming from complex processes, a lack of transparency, and close interactions between public officials and bidding companies. Corruption in public procurement undermines competition and efficiency, leading to substandard infrastructure, inflated costs, and misuse of taxpayer money.

• Healthcare

Corruption in healthcare is a significant issue, given that the sector accounts for an average of 11% of EU Member States' GDP. It ranges from bribery and embezzlement in hospital administration to fraud in medical procurement and overpricing of pharmaceuticals. Vulnerabilities include weak regulatory oversight, opaque procurement processes, and reliance on global supply chains. With annual losses estimated at up to €56 billion due to corruption in healthcare, the report underscores the sector's critical need for enhanced governance and accountability.

• Finance

The financial sector faces complex and widespread corruption risks, including money laundering, tax evasion, and fraud. The EU reportedly loses up to €1 trillion annually to tax-related crimes. Organized crime networks exploit regulatory gaps to launder illicit funds and facilitate tax evasion. Financial

institutions also serve as both perpetrators and victims of corruption, as lax oversight and weak enforcement mechanisms exacerbate vulnerabilities.

- **Defence and security**

Corruption in the defence and security sector is enabled by high levels of secrecy and vast budgets (approximately €250 billion annually in the EU). Issues include bribery in arms procurement, diversion of funds, and the illegal resale of weapons. The report emphasizes how such corruption not only weakens national security but also has cross-border implications, particularly in light of ongoing conflicts such as the war in Ukraine.

- **Construction and infrastructure**

This sector contributes 5% to the EU's total gross value added and employs millions of people. Corruption is prevalent in contract awards, often resulting in unsafe infrastructure, inflated costs, and environmental harm. Up to 20% of construction costs in the EU may be lost to corruption, according to the report. It highlights the urgent need for better regulatory oversight and enforcement for large-scale infrastructure projects.

- **Sports**

Corruption in sports is both financial and reputational, with issues ranging from match-fixing and illegal betting to fraud in major event procurement. While fewer than 1% of games are fixed, the financial scale of corruption is vast, particularly in football and tennis, where organized crime networks often operate. Corruption in sports erodes public trust and undermines the integrity of competitions, impacting fans and athletes alike.

Shared characteristics and challenges

The study found commonalities across these sectors, including the widespread use of bribery, conflicts of interest, and exploitation of regulatory gaps. Weak institutional oversight, lack of transparency, and complex governance structures further enable corruption. Organised crime groups and professional enablers, such as lawyers and accountants, play a significant role in perpetuating these schemes.

Broader impacts of corruption

Corruption undermines public trust in institutions, distorts resource allocation, and hinders economic growth. Financial losses are only one part of the problem – corruption also has severe societal consequences, including reduced access to quality healthcare, unsafe infrastructure, and diminished faith in democratic processes. The report cautions that unchecked corruption will continue to harm EU citizens and weaken governance across Member States.

Recommendations for the EU

To address these risks, the report calls for the following:

- **Enhanced oversight:** Strengthening monitoring mechanisms in high-risk sectors, particularly in public procurement and defence;
- **Transparency and accountability:** Improving access to information and enforcing stricter disclosure requirements;
- **Cross-border cooperation:** Establishing robust mechanisms for judicial and investigative collaboration among Member States to combat transnational corruption;
- **Certification and standardization:** Creating EU-wide standards for high-risk areas, such as healthcare procurement and managed security services;
- **Capacity building:** Increasing resources for anti-corruption agencies and fostering public-private partnerships to detect and deter corruption.

The report underscores the importance of a coordinated EU Anti-Corruption Strategy to address systemic vulnerabilities in these six high-risk sectors. By closing regulatory gaps, improving enforcement, and enhancing transparency, the EU can significantly reduce the impact of corruption, safeguarding its institutions and citizens.

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