

New Challenges in Fighting Expenditure Fraud

Report on the Conference in Prague, 23-25 November 2022



euclid

European Law Forum: Prevention • Investigation • Prosecution

Report

Georg Roebeling

The pandemic and its fallout have affected our work and lives in many ways over the last three years. But how are these developments, and the recovery plans that are gradually being implemented, impacting the work of anti-fraud authorities focusing on the expenditure side of the European Union budget?

This question was addressed by delegates at the high-level conference **“Prevent – Detect – Investigate; New Challenges in Fighting Expenditure Fraud and Irregularities”** held by the European Anti-Fraud Office (OLAF) and the Czech Ministry of Finance in Prague in November 2022, with financial support from the Union Anti-Fraud Programme. The event offered an opportunity for key stakeholders to review the strategies available by which to address new patterns of fraud in the post-pandemic world. The conference brought together more than one hundred representatives of the relevant European bodies (European Commission, OLAF, EPPO, European Court of Auditors) and national authorities managing, auditing, or investigating the EU expenditure.

The EU’s long-term 2021-2027 budget and the EU’s recovery funds total some €2 trillion – a very large amount that needs to be protected from fraud and other irregularities. Transactions have become digital and cross-border schemes have become increasingly frequent and complex. Perpetrators of organised crime are attempting to expand their illicit business endeavours into fraud against EU funds. Anti-fraud authorities need to constantly adapt to the changing anti-fraud landscape in order to stay ahead of the game.

The national authorities of the EU’s Member States are in the frontline when it comes to fighting fraud. Delegates explored the entire cycle of the fight against fraud:

The vital role that existing risk-scoring and blacklisting tools can play in sharing crucial information was also discussed. In addition, the increasing use of artificial intelligence to estimate – and, ideally, to predict – the occurrence of errors or suspicion of fraud will allow for quicker corrective action.

These measures require an effective digitalisation of data on projects, companies, and transactions; the collection of fraud indicators and red flags from various actors; and cross-checks of information with all relevant partners. A common theme that emerged during the discussions was the importance of gathering, reporting, sharing, and analysing data – particularly in a fraud environment that has become increasingly digital, international, and complex.

AUTHOR

Georg Roebeling

Head of Unit
European Commission /
European Anti-Fraud Office
(OLAF)

ISSN: 1862-6947

<https://euclid.eu>



Participants stressed the need for cooperation at local, national, and EU levels for a strong, effective front against fraudsters. There was also an exchange of views on how to create innovative approaches to assessing the achievements of targets and milestones related to funding from the EU's Recovery and Resilience Facility, which has introduced a new, different spending mode for EU funds. Other areas covered included the role that auditors can play in fraud detection as well as the experiences and best practices of several national and EU actors in fighting fraud.

About eucrim

eucrim is the leading journal which regularly informs about current developments in European criminal and "criministrative" law.

All news items are freely accessible at: <https://eucrim.eu/news/>

Stay informed by emailing to eucrim-subscribe@csl.mpg.de to receive alerts for new releases of issues.

The project is co-financed by the Union Anti-Fraud Programme (UAFP), managed by the European Anti-Fraud Office (OLAF).



**Co-funded by
the European Union**