

OLAF Activity Report 2019



Thomas Wahl

News

In September 2020, OLAF published its [activity report for 2019](#). In 2019, OLAF celebrated its 20th anniversary to commemorate its establishment in 1999. The report shows the wide range of OLAF's operational activities, such as fraud affecting humanitarian aid, the environment, agricultural and regional development funds, etc., but also the fight against corruption and smuggling of counterfeit goods or tobacco. The key figures for 2019 are (for comparisons with the 2018 report [eucrim 3/2019, 163](#)):

- OLAF concluded 181 investigations, and issued 254 recommendations to the relevant national and EU authorities;
- OLAF recommended the recovery of €485 million to the EU budget;
- OLAF opened 223 new investigations, following 1174 preliminary analyses carried out by OLAF experts.

The report also identifies several trends that came up during OLAF's investigations in 2019:

- Corruption, collusions and manipulations in public procurement procedures funded by the EU, e.g. as regards humanitarian aid or agricultural/food funds;
- Cross-border schemes making detection more difficult and time-consuming;
- Research funding continued to be a main target of fraudsters;
- Many investigations relate to smuggling and counterfeiting, involving complex cross-border networks;
- Tackling cigarette smuggling remains a priority for OLAF; in 2019, the fight against cigarette counterfeiting continued to be a major issue, together with the illegal smuggling of water pipe tobacco.

In addition to its investigations concerning cases of revenue fraud and counterfeiting, OLAF coordinated large-scale joint customs operations, such as POSTBOX II or SILVER AXE IV, which were also reported in [eucrim](#).

The focus chapter of the 2019 annual report deals with the growing threat of environmental fraud. According to OLAF, fraudulent and illegal activities are increasing in connection with environmental funds and investments, also due to the fact that sustainable development, tackling climate change, and protecting the environment have become a top priority of the EU's policy. OLAF reports on several cases in this area. One example is the "Volkswagen and Dieselgate" scandal involving improper spending of European Investment Bank money by the German automobile manufacturer to develop a "defeat device" circumventing EU rules on emissions instead of conducting research on how to reduce emissions. Other investigations of OLAF in the area of environmental fraud concerned trade in endangered species and illegal logging and import into the EU of (protected) wood and timber, illegal international trade in biodiesel, and fraud in relation to water and waste management.

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The report highlights that effective cooperation with partners is essential for OLAF's investigative and policy work. In 2019, OLAF forged further ties with other EU services and international organisations/third countries:

- Collaboration with other European Commission services, in 2019 increasingly as regards environment-related funding in view of European Green Deal projects;
- Signature of administrative cooperation arrangements (ACAs) with the ECA, and working on ACAs with other international partners;
- Steering work at the Advisory Committee for Coordination of Fraud Prevention (Cocolaf);
- Integration of anti-fraud clauses in international funding and free trade agreements.

Other topics in the report are, *inter alia*, the financial, judicial and disciplinary monitoring of OLAF's follow-up recommendations and OLAF's work in the field of policy to fight fraud.

When [presenting the report](#), OLAF Director-General *Ville Itälä* said: "We keep abreast of fraud trends and we adapt to the ever-changing fraud patterns that seek to take advantage of the money that Europe makes available to achieve its priorities. OLAF's success is a crucial asset for Europe as the eyes of fraudsters turn towards the 2021-2027 budget with its 1.8 trillion euro designed to power Europe's recovery from the consequences of the COVID-19 pandemic."

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