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EUROPEAN  
COMMISSION

Brussels, 27.7.2023  
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## **COMMISSION STAFF WORKING DOCUMENT**

**Measures adopted by the Member States to protect the EU's financial interests -  
Implementation of article 325 TFEU**

*Accompanying the document*

### **REPORT FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT**

**34th Annual Report on the protection of the European Union's financial interests and  
the fight against fraud - 2022**

{COM(2023) 464 final} - {SWD(2023) 272 final} - {SWD(2023) 273 final} -  
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## **LIST OF ABBREVIATIONS**

<b>AFCOS</b>	Anti-Fraud Coordination Service
<b>AFS</b>	Anti-Fraud Strategy
<b>AMIF</b>	Asylum, Migration and Integration Fund
<b>CAP</b>	Common Agricultural Policy
<b>CDM</b>	Centralised Direct Management
<b>EGF</b>	European Globalisation Fund
<b>EPPO</b>	European Public Prosecutors' Office
<b>ERDF</b>	European Regional Development Fund
<b>ESF</b>	European Social Fund
<b>EU</b>	European Union
<b>FEAD</b>	Fund for European Aid to the Most Deprived
<b>GEO</b>	Emergency Ordinance
<b>IT</b>	Information Technology
<b>MICAF</b>	Interministerial Anti-Fraud Coordination Office
<b>NAFS</b>	National Anti-Fraud Strategy
<b>NRA</b>	National Risk Assessment
<b>OLAF</b>	European Anti-Fraud Office
<b>PIF</b>	Protection of the EU's Financial Interests
<b>RRF</b>	Recovery and Resilience Facility
<b>RRP</b>	Recovery and Resilience Plan
<b>SEFI</b>	Council on the Protection of the EU's Financial Interests
<b>VAT</b>	Value Added Tax

## 1. Introduction

Article 325(2) of the Treaty on the Functioning of the European Union obliges Member States to take the same measures to counter fraud that affects the EU's financial interest as those used to protect their own financial interests.

Paragraph 5 adds that the Commission, in cooperation with Member States, should submit every to the European Parliament and the Council a report on the measures taken to implement this article.

To compile this document, the Commission has requested Member States to report up to three measures, which they considered most important for the protection the EU's financial interests. Their responses were collected through a survey (also known as the PIF Questionnaire).

Member States also had the opportunity to briefly describe additional measures, if deemed necessary and report case studies.

## 2. Overview of Measures Taken by Member States

### 2.1. National Anti-Fraud Strategies

Following the Commission's sustained encouragement of Member States to adopt national anti-fraud strategies (NAFS), in 2022, only three Member States indicated not to rely on any strategy for protecting the EU's financial interests. . For the other 24 Member States the approach taken varied widely.

15 Member States have a NAFS in place. Five reported that they were in the process of drafting, or close to adopting one, while four additional Member States indicated that they have an alternative strategy in place. Germany's approach, based on regional and sectoral strategies, covers cohesion, the recovery and resilience facility (RRF), and other fields. Cyprus and Sweden rely an anti-corruption strategy also covering the EU's financial interests, while Slovenia has drawn up a specific strategy for RRF.

**Table 1:** Overview of the type of strategy pursued by Member States in their fight-against fraud and the fields they cover.

Type	Member State																										
	AT	BE	BG	CY	CZ	DE	DK	EE	ES	FI	FR	GR	HR	HU	IE	IT	LT	LU	LV	MT	NL	PL	PT	RO	SE	SI	SK
National AFS																											
Regional AFS																											
Sectoral national																											
Sectoral regional																											
Anti-corruption																											
Other																											
<b>Field</b>																											
Cohesion																											
Agriculture																											
Fisheries																											
Customs																											
VAT																											
RRF																											
Other																											

YES, NAFS	
YES, other AFS	
NO, but developing	
NO, no plan	

	YES
	NO

Nine out of 15 NAFS were cross-cutting, covering the EU's financial interests fully. The other national strategies present different approaches, targeting specific or multiple sectors, such as expenditure (shared management and RRF), customs or value added tax (VAT).

All five Member States where the process of establishing a NAFS was ongoing indicated that their strategies would be cross-cutting and cover the EU's financial interests throughout their territory.

## 2.2. Anti-Fraud Measures

In 2022, Member States reported 72 single and packaged measures<sup>1</sup> intended to protect the EU's financial interest. Through the PIF Questionnaire, they had been invited to report at most three critical anti-fraud measures. This staff working document offers a comprehensive, yet non-exhaustive overview of priorities and trends across the anti-fraud action taken across the Union.

**Table 2:** Overview of the number of single and packaged anti-fraud measures adopted by Member States in 2022.

Amount	Member State																				Total
	AT	BE	BG	CY	CZ	DE	DK	EE	ES	FI	FR	GR	HR	HU	IE	IT	LT	LU	LV	MT	
Single	1	1	2	2	3	3	2	2	3	2	3	3	3	0	2	2		1	3	1	52
Double	1	2	1	1	0	0	1	1	0	0	0	0	0	3	0	1		1	0	0	20
Total	2	3	3	3	3	3	3	3	3	2	3	3	3	3	2	3		2	3	1	72

Amongst the 72 measures adopted, 52 were single measure and 20 comprehensive packages, which consisted of 39 individual actions. These 91 measures taken by Member States encompassed 52 new actions and 42 updates. Five measures were described as both.

Anti-fraud actions targeted specific revenue and expenditure streams. Out of 91 individual measures only 32 were horizontal, as opposed to 59 sectoral policies. Sectoral measures took most frequently aim at fraud against cohesion funds, followed by fisheries, the RRF, and agriculture, in line with the last report on the protection of the EU's financial interests' (PIF Report) recommendation to protect the EU's unparalleled recovery package.

**Table 3:** Overview of the sectors targeted by individual anti-fraud measures adopted by Member States in 2022.

Frequency	Sector									
	Customs	Tax Fraud	Agriculture	Fisheries	Cohesion	CDM	FEAD	EGF	AMIF	RRF
	7	8	12	14	15	2	4	2	5	13

Member States' measures were defined by their type. They may fall into one of four categories. Firstly, a legislative measure denotes an act that either has legal force or has been adopted by a legislative. Secondly, an administrative measure is an act adopted by an administrative body to realise actions provided for in legislative acts. Thirdly, a decision or any other non-legislative act taken to change the organisational setting of an administration or body whose tasks and activities relate to the protection of the EU's financial interests, may be classified as an organisational measure. Lastly, any action undertaken by such an administration or body and with a direct impact on its operations would be considered an operational measure.

<sup>1</sup> Measures based on a single 'act' are referred to as 'single measures' to distinguish them from those implemented on the basis of a package of different acts (legal or administrative) or policy initiatives.

Single measures were predominantly legislative and least often administrative, while Member States reported operational measures most frequently in context of packages.

**Table 4:** Overview of single and packaged anti-fraud measures adopted by Member States in 2022 sorted according to type.

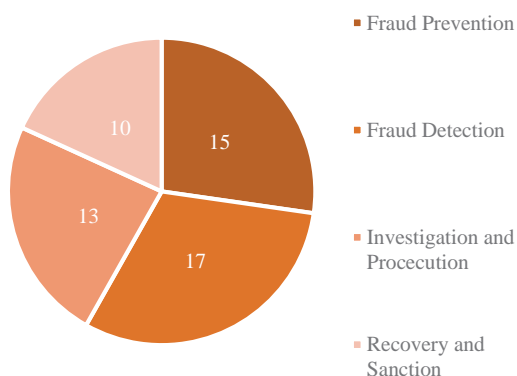
Frequency	Amount	Type			
		Legislative	Administrative	Organisational	Operational
	Single	20	9	11	12
	Package	11	8	7	13

Regardless, fraud against the EU budget can only be effectively fought if it is approached holistically, covering all stages of the anti-fraud cycle and drawing on a multitude of stakeholders, processes, and steps, all of which are deeply interconnected and influence each other. This cycle may be divided into four stages, including prevention, detection, investigation and prosecution, and recovery and sanction. Prevention can involve risks analyses, self-assessments, quantifying fraud, and its impact. Detection is marked by fraud reporting processes and identification of fraud signals by audits, the information technology (IT) tools that support them, their comparability and interoperability, Law enforcement, the European Anti-Fraud Office (OLAF), the European Public Prosecutor's Office (EPPO) and national judicial authorities' investigations characterise the investigation and prosecution stage. Member States close this process by recovering compromised funds and sanctioning fraud.

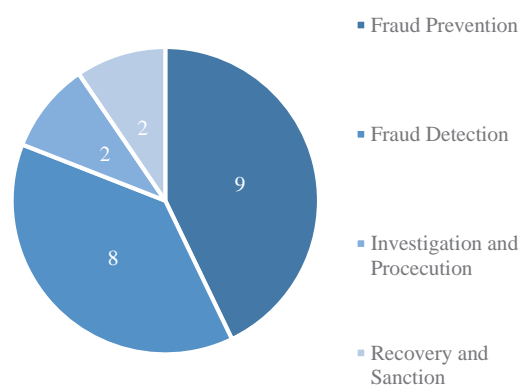
The pie charts 1-8 below show the attention that these phases received by the four types of single and packaged measures. Evidently, Member States predominantly took action to strengthen fraud prevention and detection. Investigation, prosecution, recovery and sanctioning have been targeted to a lesser extent.

Recurring themes across reported single and packaged measures aim toward better fraud prevention and detection, including the transposition of the Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law (Whistleblower Directive), the RRF, and cooperation with the EPPO.

**Pie chart 1:** Frequency with which single legislative measures targeted each anti-fraud cycle stage

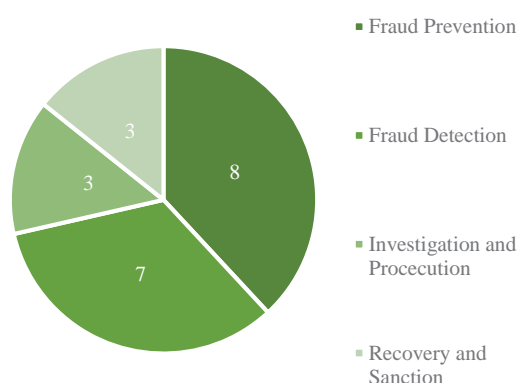


**Pie chart 2:** Frequency with which single administrative measures targeted each anti-fraud cycle stage

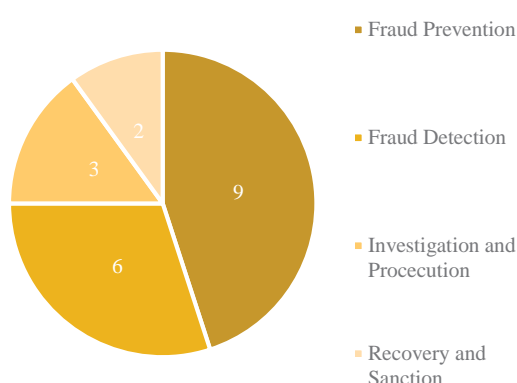




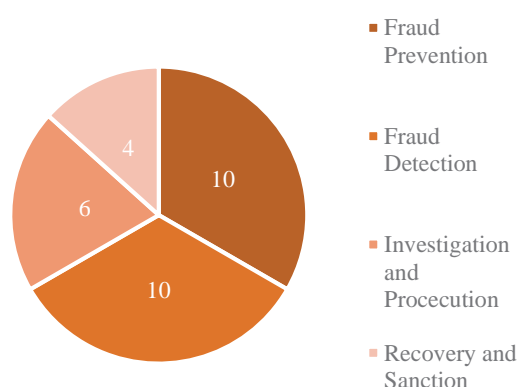
**Pie chart 3:** Frequency with which single organisational measures targeted each anti-fraud cycle stage



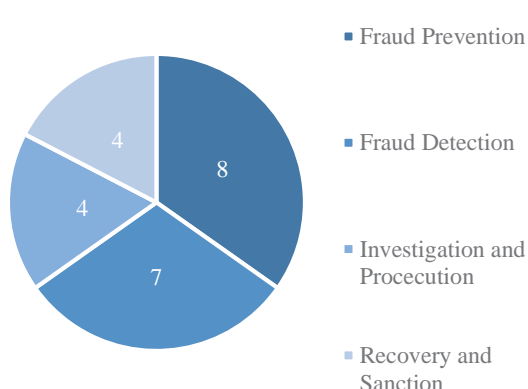
**Pie chart 4:** Frequency with which single operational measures targeted each anti-fraud cycle stage



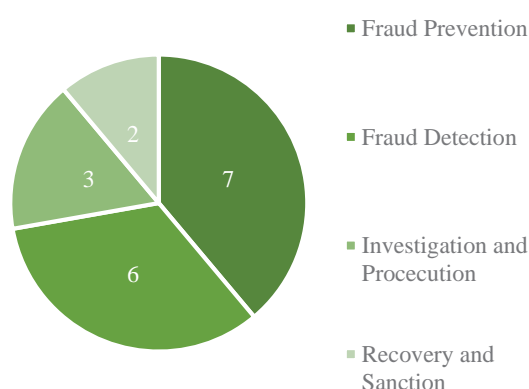
**Pie chart 5:** Frequency with which packaged legislative measures targeted each anti-fraud cycle stage



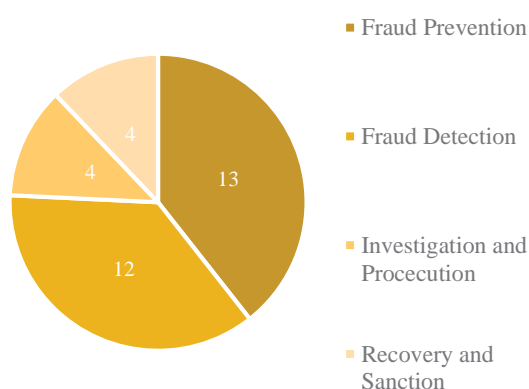
**Pie chart 6:** Frequency with which packaged administrative measures targeted each anti-fraud cycle stage



**Pie chart 7:** Frequency with which packaged organisational measures targeted each anti-fraud cycle stage



**Pie chart 8:** Frequency with which packaged operational measures targeted each anti-fraud cycle stage



### 3. Anti-Fraud Measures Taken by Member States

#### 3.1. Austria

##### 3.1.1. NAFS

On June 30, 2022, Austria adopted a sectoral national anti-fraud strategy, covering its whole territory. It focuses on EU cohesion policy, agricultural, and fisheries funds. Expanding this NAFS's sectoral coverage is, however, not foreseen.

##### 3.1.2. Measures

In 2022, Austria continued to update its administrative anti-fraud measures, focusing on the prevention and detection of fraud against European cohesion policy and agricultural funds. Jointly, the single and packaged measures comprehensively strengthened all but one stage of the anti-fraud cycle.

##### 3.1.2.1. Administrative Package for more Comprehensive Expenditure Audits

Anti-Fraud Measure #1 Taken by Austria in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Administrative	Update	Fraud prevention	Sectoral: Cohesion Policy	Public procurement; Conflict of interest; Shared management and control of EU funds; Anti-fraud or anticorruption strategy.	Eligibility criteria; Management of funds; On the spot checks; Irregularities reporting; Recovery.	Cross-cutting measure, multi-agency measure/measure with impact on various bodies for monitoring the proper use of funds and the notification of identified irregularities.
			Fraud Detection				
			Recovery and Sanction				

The first of the two administrative measures reported, is a package that, similarly to 2021, aims to decrease irregularities thorough expense checks. Targeting exclusively EU cohesion policy funds, the initiative seeks to improve prevention, detection, recovery, and sanctioning of fraud by controlling and safeguarding the use of funds and reported irregularities. To this end, the administrative update foresees that relevant administrative bodies audit all expenses that beneficiaries submit fully.

##### 3.1.2.2. Administrative Measure for more Complete Transaction Records

Anti-Fraud Measure #2 Taken by Austria in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	Update	Fraud Prevention	Sectoral: Agriculture	Shared management and control of EU funds.	Eligibility criteria; Monitoring/desk checks.	To clarify or consolidate existing rules.
			Fraud Detection				

Austria's second administrative update is a single measure that clarifies and consolidates an existing rule to better prevent and detect fraud against EU agricultural funds. The alteration concerns the Special Directive for Austria's rural development program between 2014 and 2020. It, more specifically, introduces the obligation to either maintain records of all transactions associated with a project, or to use an alternative but equivalent accounting code.

## 3.2. Belgium

### 3.2.1. NAFS

Belgium does not currently have a national anti-fraud strategy. Nevertheless, it reported that preparations for establishing such a wholesome strategy was ongoing. The Belgian national anti-fraud strategy has already been discussed at the latest 2022 Belgian AFCOS meeting. It has been agreed that statutory changes will form its basis, while special attention will be paid to Recovery and Resilience Facility associated risks. The latter could be adequately accounted for by integrating the Early Detection and Exclusion System data base into the ongoing fraud prevention culture.

### 3.2.2. Measures

In 2022, Belgium put three anti-fraud measures into place, mostly packages of new legislation or acts. While the sectoral legislative measure focused on fraud detection, investigation and prosecution, the reported legislative package cut across sectors, fostering fraud prevention and detection. The only non-legislative measure reported by Belgium was an organisational update to RRF funds management in Wallonia, strengthening the investigation and prosecution of fraud against them.

#### 3.2.2.1. Legislative Package for more Comprehensive VAT Records and Effective Penalties

Anti-Fraud Measure #1 Taken by Belgium in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	New	Fraud Detection	Sectoral: Tax Fraud	Antifraud or anticorruption strategy.	Competences; Powers.	To clarify or consolidate existing rules; To remedy flaws.
			Investigation and Prosecution				

The first of two new legislative packages aims to improve tax fraud detection, its investigation and prosecution by clarifying the relevant existing rules and correcting flaws. Dated 20 November, 2022, the law on various fiscal and financial provisions, in Articles 91, 103, and 104, introduces a VAT penalty payment mechanism. It further alters the time constraints for investigations as well as the conservation of books and records in the value added tax code.

#### 3.2.2.2. Legislative Package for a Higher Level of Protection for Whistleblowers

Anti-Fraud Measure #2 Taken by Belgium in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	New	Fraud Prevention	Horizontal	Whistle-blowers	Competences; Powers; Other administrative penalties; Criminal sanctions; Other.	To enforce the rules in line with developments in EU law
			Fraud Detection				

The second of two new legislative packages is horizontal rather than sector oriented, generally endorsing whistleblowers' protection for a stronger bottom-up approach to fraud prevention and detection. It encompasses two laws that became effective on January 1, 2023.

The first measure, of 28 November, 2022, transposes the European Whistleblowing Directive, establishing shared minimum standards that guarantee a high level of protection to those who report breaches of Union and national law.

The second measure, the Law of 8 December, 2022, regulates reporting channels and the protection of whistle blowers in the public sector. Beyond the federal public administration and police, the law applies to strategic bodies, too, implementing a recent Group of States against Corruption recommendation to Belgium<sup>2</sup>.

### 3.2.2.3. Organisational Measure for Improved Interagency Information Flows

Anti-Fraud Measure #3 Taken by Belgium in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	Update	Investigation and Prosecution	Sectoral: Recovery and Resilience Facility	Public procurement; Conflict of interest; Fraud definition; Shared management and control of EU funds.	Reorganisation of existing bodies; Inter-agency cooperation.	Increased resources

Belgium's third and final measure during the 2022 reporting year was a single organisational update that integrated Wallonian bodies in charge of RRF funds into an existing 'OLAF working group' to facilitate interagency cooperation through improved information flows. More specifically, the working group comprises all functional administrations relevant to European Regional Development Fund (ERDF) and RRF expenditure in Wallonia, intermediary bodies, the European Social Fund (ESF) agency, audit authorities, and experts. Quarterly, each entity notifies irregularities and suspected irregularities/fraud. These instances are then thoroughly discussed when the working group meets, ensuring that this and any other information on the fight against fraud, corruption, and conflict of interest is disseminated amongst relevant stakeholders.

## 3.3. Bulgaria

### 3.3.1. NAFS

Since November 12, 2020, Bulgaria has had a cross-cutting national anti-fraud strategy, covering the EU's financial interest and the whole national territory.

### 3.3.2. Measures

In 2022, anti-fraud action in Bulgaria was predominantly legislative, revolving around fraud detection and prevention as well as its investigation and prosecution, but covering the whole anti-fraud cycle. Two single legislative measures, updated existing acts, the first focusing on agricultural, fisheries, cohesion, Fund for European Aid to the Most Deprived (FEAD), and Asylum, Migration and Integration (AMIF) funds, and the second cross-cutting. The third legislative measure was accompanied by administrative changes toward comprehensively protecting EU RRF funds.

#### 3.3.2.1. Legislative Measure for an Improved EU Fund Management Capacity at all Levels

Anti-Fraud Measure #1 Taken by Bulgaria in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Prevention	Sectoral: Agriculture, Fisheries; Cohesion policy; Fund for the most deprived; Migration and asylum.	Shared management and control of EU funds.	Competences; Powers; Recovery.	To enforce the rules in line with developments in EU law.
			Fraud Detection				
			Investigation and Prosecution				

<sup>2</sup> see GrecoEvalRep (2019)3 Report, p.29, §128

For 2022, the first of three legislative measures reported by Bulgaria amends and aligns the domestic (Act No. 51/2022) with EU legislation on EU funds under shared management for the 2021 – 2027 programming period, protecting to a higher standard the EU's financial interests. This aim is split into four objectives. First, the changes intend to make Bulgaria's system for managing EU funds more transparent, easier to comprehend, and effective. Second, they intend to bulk up administrative capacity at management and all control levels. Third, the act diminishes the administrative burden associated with managing EU funds by codifying the corresponding framework, streamline and simplify procedures tied to clear deadlines, forms and rules. And, lastly, it seeks to grant effective judicial protection to beneficiaries. On all accounts, this legislative measure thus strengthens fraud prevention, detection, investigation, and prosecution.

Anti-Fraud Measure #2 Taken by Bulgaria in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Prevention	Horizontal	Public procurement; Financial crime (including money laundering); Organised crime; Corruption; Conflict of interest; Fraud definition; AFCOS; Customs/TOR/illicit trade; Shared management and control of EU funds.	Competences; Powers.	To enforce the rules in line with developments in EU law.
			Fraud Detection				
			Investigation and Prosecution				

### 3.3.2.2. Legislative Measure for Greater Information Accessibility for OLAF

The second single legislative measure adopted by Bulgaria in 2022 amends the Credit Institutions Act (SG No. 25/2022), giving OLAF access even if information is strictly protected by bank secrecy when it is strictly necessary for the office's investigation to improve fraud prevention and detection throughout. The changes to Articles 56(3)(2a), 56a(3)(2a), and 62(6)(7a) designate Bulgaria's AFCOS Directorate as the competent authority for this information exchange.

### 3.3.2.3. Mixed Package on Bulgaria's Recovery and Resilience Plan

Anti-Fraud Measure #3 Taken by Bulgaria in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	New	Fraud Prevention	Horizontal	Shared management and control of EU funds.	Competences; Powers.	To enforce the rules in line with developments in EU law.
			Fraud Detection				
	Administrative		Investigation and Prosecution			Management of funds; Monitoring/desk checks; On the spot checks; Irregularities reporting; Recovery.	To enhance existing measure.
			Recovery and Sanction				

Covering the entire fraud cycle, the third legislative measure reported by Bulgaria comes integrated into administrative action, which designates the authorities and bodies responsible for implementing the Member State's Recovery and Resilience Plan (RRP). Decree No. 157 by the Bulgarian Council of Ministers, approved through Order No. 526 from July 1, 2022, specifies these bodies' functions and the national management and control system for the RRP. Thereby, the package aligns domestic with EU law, specifically with Regulation (EU) 2021/241, which establishes the RRF.

### 3.4. Croatia

#### 3.4.1. NAFS

To date, Croatia has adopted two NAFS, covering the years 2010-2012 and 2014-2016, which have been fully implemented. The Ministry of Justice and Public Administration has drafted and monitored the implementation of national strategic documents in the field of the fight against corruption as well as the Strategy for the Prevention of Corruption, covering 2021-2030, which was adopted in October 2021 (Official Gazette 120/21) and is the fifth strategic document in this area since 2001.

#### 3.4.2. Measures

Croatia, for 2022, reported exclusively individual updates, two horizontal measures, one legislative, securing the confiscation of criminal proceeds, and the other operational, enhancing cooperation with the EPPO, as well operational changes to the management of cohesion funds using Arachne. Together, they cover the entire anti-fraud cycle, strengthening the protection of the EU's financial interests throughout although from different angles.

##### 3.4.2.1. Legislative Measure for a More Effective Confiscation of Criminal Proceeds

Anti-Fraud Measure #1 Taken by Croatia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislation	Update	Investigation, Prosecution Recovery and Sanction	Horizontal	Financial crime (including money laundering); Organised crime; Corruption; Customs/ToR/illicit trade.	Recovery	To clarify or consolidate existing rules; To remedy flaws.

In 2022, Croatia amended its horizontally applicable Criminal Procedure Act (Official Gazette, No 80/2022) with the aim to secure better and more efficient confiscation of criminal proceeds. Concretely, the amendment prevents that relevant provisional measures are lifted during criminal proceedings by altering the reference point for their duration. Rather than lasting up to two years before an indictment is confirmed, provisional measures that secure the confiscation of criminal proceeds may now last for up to two years before an indictment is issued, as the former practice had proven ineffective.

Extending these measures' maximum duration intends to strengthen the recovery of funds, including those originating in the EU budget, by ensuring that the confiscation of criminal proceeds becomes definitive and permanent. The change became effective on 19 July, 2022.

##### 3.4.2.2. Operational Measure for More Efficient Project Management

Anti-Fraud Measure #2 Taken by Croatia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	Update	Fraud Prevention Fraud Detection	Sectoral: Cohesion Policy	ARACHNE	IT tools ("IT data feeding", "Other IT").	Enhanced cooperation; Enhanced information flow; Targeting of checks.

The first of two operational measures reported by Croatia for 2022 is a training on the use of the ARACHNE IT tool for data mining and enrichment in cohesion policy. As part of the Croatian Human Resources 2014 – 2020 Operational Programme, the training was conducted by the European Commission on 28 June, 2022 with authorities involved in the ESF management and control system. Focusing on in-depth analysis and data enrichment, it intended to make project selection and management checks more efficient as well as fraud identification, prevention, and detection stronger.

### 3.4.2.3. Operational Measure for Heightened Interinstitutional Cooperation

Anti-Fraud Measure #3 Taken by Croatia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	Update	Fraud Detection Investigation, Prosecution	Horizontal	Financial crime (including money laundering); Shared management and control of EU funds.	Structured cooperation with judicial authorities.	Enhanced cooperation; Targeting of investigations.

The final of Croatia's two reported operational measures intends to enhance inter-institutional cooperation in the detection, investigation, and prosecution of offences against the EU's financial interests at large. It targets specifically the Independent Financial Investigation Sector of the Tax Administration's Central Office, the EPPO, and the delegated prosecutors in the Member State.

First results of this measure have, according to Croatian authorities, already surfaced. The Independent Investigation Sector opened 18 cases in 2022 in response to EPPO requests, doubling the number of cases reported in the previous year.

## 3.5. Cyprus

### 3.5.1. NAFS

Cyprus has not yet reported a national anti-fraud strategy, neither having a procedure for establishing such a strategy currently ongoing. The Member State has, nevertheless, pursued a national anti-corruption strategy since 28 June, 2017.

### 3.5.2. Measures

For 2022, Cyprus described two legislative single measures and one package, comprising a legislative, administrative, organisation, and operational action. The first single measure aims to better protect whistleblowers, transposing the Whistleblowing Directive into domestic law, boosting thereby fraud prevention, detection, investigation and prosecution. The second single legislative measure is equally horizontal, but focused instead on fostering integrity and transparency in public decision making processes, covering all anti-fraud cycle stages. The RRF and various stakeholders are targeted by the mixed method package adopted by Cyprus, which intends to prevent fraud.

#### 3.5.2.1. Legislative Measure for a Higher Level of Protection for Whistleblowers

Anti-Fraud Measure #1 Taken by Cyprus in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Prevention Fraud Detection Investigation, Prosecution	Horizontal	Corruption; Conflict of interest; Whistle-blower.	Competences; Powers; Definition of a specific topic; Financial penalties; Criminal sanctions.	To enforce the rules in line with developments in EU law.

The first legislative action that Cyprus has reported strengthens EU laws and policies in the Member State by improving protection of persons who report breaches thereof. With the adoption of Law 6(I)/2022, Cyprus has transposed the EU Whistleblowing Directive (Directive (EU) 2019/1937) including provisions on whistleblowers, employers, and competent authorities.

For whistleblowers, the legislation specifies who can report what, where reports need to be submitted, as well as when and how protection is given. Provisions for employers sketch out internal whistleblowing channels, defining which employers are obliged to have them, who and what may



qualify as such a channel, how they should work and be secured. Competent authorities' obligations, too, are laid out by the law.

Overall, these rules encourage and facilitate the confidential and secure reporting of possible infringements by employees who have acquired relevant information while performing their duties, shields them from relation by superiors and colleagues, and provides robust support measures.

### 3.5.2.2. Legislative Measure for Curbing Corruption

Anti-Fraud Measure #2 Taken by Cyprus in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Prevention	Horizontal	Public procurement; Financial crime (including money laundering); Organised crime; Corruption; Conflict of interest; Whistle-blower; Antifraud or anticorruption strategy; Other, anti-corruption strategy / integrity and transparency measures.	Competences; Powers.	To remedy flaws
			Fraud Detection				
			Investigation, Prosecution				
			Recovery and Sanction				

Cyprus' second legislative measure is threefold, creating an Independent Anti-Corruption Authority and a framework for integrity and transparency in public decision making processes.

Law 19(I)/2022 and Regulatory Administrative Act (RAA) 483/2022 establish and govern the authority. In the future, this authority will take action to prevent and combat corruption in the public. To this end, it has been mandated to supervise and assess public and private sector service providers, compile reports with recommendations, guide private sector actors in adopting internationally recognised best practices, conduct risk assessments, and produce and disseminate information. In addition, the authority will be in charge of implementing, enacting managing and evaluating Cyprus' National Anti-Corruption Strategy.

Law 20 (I)/2022, on the other hand, establishes the framework for guaranteeing integrity and transparency throughout the public decision-making process.

### 3.5.2.3. Mixed Package for the Cypriot Recovery and Resilience Plan

Anti-Fraud Measure #3 Taken by Cyprus in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	New	Fraud Prevention	Sectoral: Recovery and Resilience Facility	Public procurement; Corruption; Conflict of interest; Shared management.	Competences; Definition of a specific topic.	To enforce the rules in line with developments in EU law.
	Administrative					Monitoring/desk checks; Irregularities reporting.	To enhance existing measure; Cross-cutting measure, multi-agency measure / measure with impact on various bodies.
	Organisational					Inter-agency cooperation; General trainings; Fraud awareness trainings.	Increased resources.
	Operational					IT tools ("IT data feeding", "Other IT"); Flagging practice; Risk indicators; Increased number of checks.	Targeting of checks; Enhanced ex-ante controls; Enhanced ex-post controls.



For 2022, the most complex measure reported by Cyprus is a package that combines legislative, administrative, organisational, and operational action in an effort to prevent fraud against RRF funds, affecting relevant stakeholders including economic operators and authorities.

The legislative measure included in the package denotes the alignment of the Cypriot RRP and related grant schemes with the Council decision on guidelines for preventing, detecting, corruption and conflict of interest. The administrative measure translates this alignment into domestic guidelines, while the remaining actions facilitate their implementation, targeting specifically beneficial ownership data in public procurement and in grant award decisions. They cover the procedure for submitting this data before projects are awarded and public contracts awarded as well as its checking with the ARACHNE tool. Cyprus reported that after successfully curbing corruption in the RRF's context, this package could be extended to all other cohesion policy funds.

### **3.6. Czechia**

#### **3.6.1. NAFS**

Czechia adopted its national anti-fraud strategy on 1 May, 2020. The strategy is cross-cutting, covering the EU's financial interests and the entire national territory. The Member State has reported that an updated version will be adopted in 2023.

#### **3.6.2. Measures**

For 2022, Czechia reported exclusively new sectoral operational measures, targeting all stages fraud but detection. The first measure described operationalises the enforcement of EU sanctions against the Russian Federation, enhancing coordination, cooperation, and information flows amongst Czech authorities. A second operational measure interconnects, but this time the beneficial owners register with information systems used in managing fisheries and cohesion funds. The third measure pursues the same goal by completing all methodological documents relevant to the current programming period.

##### **3.6.2.1. Operational Measure for Enforcing EU Sanctions against the Russian Federation**

Anti-Fraud Measure #1 Taken by Czechia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	New	Investigation and Prosecution Recovery and Sanction	Sectoral: Customs, Tax fraud	Financial crime (including money laundering); Organised crime; Customs/ToR/illicit trade.	Risk indicators; Structured cooperation with law enforcement; Structured cooperation with judicial authorities.	Enhanced coordination; Enhanced cooperation; Enhanced information flow.

The first of three operational measures facilitates the enforcement of EU sanctions against Russia through enhanced action coordination, cooperation, and information flow amongst relevant Czech public authorities. This step, covering the police, public prosecution service, financial intelligence unit, and national bank, was reportedly taken in response to the sanctions' complexity. For instance, while tackling fraud against EU revenue streams including VAT and customs, they equally touch upon money laundering, demanding authorities that usually do not work together to cooperate in investigating, prosecuting, recovering, and sanctioning fraud.

##### **3.6.2.2. Operational Measure for More Fluid Information Exchanges on Beneficial Owners**

Anti-Fraud Measure #2 Taken by Czechia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	New	Fraud Prevention	Sectoral: Fisheries,	Public procurement; Conflict of interest.	IT tools ("IT data feeding", "Other	Simplification of procedures for identification of

			Cohesion policy		IT")	beneficial owners.
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The second of three operational measures newly interconnects the beneficial owners register with the MS2014+ and MS2021+ information systems to improve fraud prevention in fisheries and cohesion policy fund distribution. On this path, beneficial owners will, in the future, be identified faster and more effectively.

### 3.6.2.3. Operational Measure for Enhanced Collaboration on Implementing EU Funds

Anti-Fraud Measure #3 Taken by Czechia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	New	Fraud Prevention	Sectoral: Fisheries, Cohesion policy	Public procurement; AFCOS; Shared management and control of EU funds.	Methodological documents for the 2021+ programming period	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks.

Thirdly, Czechia enhanced cooperation, coordination, and information flow for fraud prevention in fisheries and cohesion policy spending by completing all methodological documents associated with the 2021 – 2027 period. These documents form the basic framework for implementing EU funds, including elements that prevent fraud and foster procedural transparency.

## 3.7. Denmark

### 3.7.1. NAFS

On 31 December, 2022, Denmark adopted its sectoral national anti-fraud strategy, focusing on cohesion policy, agricultural, and fisheries funds. For the RRF, the Danish Ministry of Finance is reportedly drafting a separate section to be incorporated into other ministries' own anti-fraud strategies.

### 3.7.2. Measures

For the 2022 reporting period, Denmark listed predominantly administrative anti-fraud action, two measures being new single measures, the third being integrated into a mixed type package. The first of two standalone measures seeks to better prevent and detect fraud against cohesion policy funds by improving the data used by the Danish Business Authority. A second measure reinforces these objectives by safeguarding the correct application of remuneration rules. The package highlighted by Denmark seeks to grow the country's agricultural agency's anti-fraud and anti-evasion capacity.

#### 3.7.2.1. Administrative Measure for Preventing Double Funding

Anti-Fraud Measure #1 Taken by Denmark in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	New	Fraud Prevention ----- Fraud Detection	Sectoral: Cohesion Policy	Conflict of interest; Shared management and control of EU funds.	Eligibility criteria; Management of funds; Monitoring/desk checks; Administrative controls.	To clarify or consolidate existing rules; Cross-cutting measure, multi-agency measure/measure with impact on various bodies.

Denmark reportedly put in place a new administrative anti-fraud measure that aims to prevent double funding from EU and domestic sources, especially in cohesion policy. Said action integrates and controls ex-post data from compensation schemes with those from the Danish Business Authority. In 2022, the records of grants paid out from March to August in that year were already processed by the

Business Authority's caseworkers. This control has been supplemented with check-lists to ensure that participating companies do not receive double funding by enabling project operators to reach out directly and validating this information, too.

### 3.7.2.2. Mixed Package for Building Anti-Fraud and Anti-Evasion Capacity

Anti-Fraud Measure #2 Taken by Denmark in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Administrative	New	Fraud Prevention	Sectoral: Agriculture	Shared management and control of EU funds.	Management of funds; Monitoring/desk checks; on the spot checks.	To clarify or consolidate existing rules; To enhance existing measure.
	Organisational	New				Reorganisation of existing bodies; Competence.	Increased resources.
	Operational	Update	Fraud Detection			IT tools ("IT data feeding", "Other IT"); Risk indicators,	Targeting of checks; Targeting of investigations.

The second measure that Denmark submitted is a package of administrative, organisation, and operational measures intended to grow the country's agricultural agency's anti-fraud and anti-evasion capacity. To this end, a specialised division has been formed within the agency. It will, concretely, ensure correct, consistent, and timely follow-up on red flags. According to the Danish survey response, this action received considerable resources and priority.

### 3.7.2.3. Administrative Measure for Safeguarding Remuneration Rules

Anti-Fraud Measure #3 Taken by Denmark in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	New	Fraud Prevention Fraud Detection	Sectoral: Cohesion Policy	Shared management and control of EU funds	Eligibility criteria; Management of funds; Monitoring/desk checks.	To clarify or consolidate existing rules.

The final measure reported by Denmark sets out to safeguard the correct application of remuneration rules, which the Member State has identified to have caused an array of problems in the past. The action explicitly integrates income register data and project reporting data, facilitating the correct application of standard salary rates and data use. While adopted in 2022, the measure will likely only become effective in 2023.

## 3.8. Estonia

### 3.8.1. NAFS

On 18 January, 2022, Estonia adopted an anti-corruption strategy that also defends the EU's financial interests. It applies to public and municipal authorities and the environmental, health care, welfare, and sports sectors.

### 3.8.2. Measures

Estonia's most crucial anti-fraud action was varied in terms of type but focused exclusively on fraud prevention and detection, with two of them being horizontal and one focusing on customs. On the revenue side, Estonia realised a single operational measure, an IT tool that compares declared and Theseus prices. The second measure reported by the country is a package of a legislative update and

its operational demands, which automatically link public procurement procedures to the invoices paid, boosting controlling. At the organisational level, Estonia updated its training catalogue.

### 3.8.2.1. Operational Measure for Combatting Undervaluation

Anti-Fraud Measure #1 Taken by Estonia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	New	Fraud Prevention	Sectoral: Customs	Customs/TOR/illicit trade	IT tools ("IT data feeding", "Other IT"); Risk indicators; Increased number of checks.	Enhanced coordination; Enhanced information flow; Targeting of checks; Targeting of investigations; Enhanced ex-post controls.
			Fraud Detection				

For 2022, Estonia further reported that its customs authority had created an operational IT tool that more broadly prevents and detects undervaluation. Said tool automatically checks declared prices against those enlisted in the Theseus EU database. Customs have, simultaneously, expanded their use of this database from textiles and footwear to commodities at large. In effect, detecting and identifying undervaluation in customs declarations has become easier.

### 3.8.2.2. Mixed Package for Improved Controls and Audit Effectiveness

Anti-Fraud Measure #2 Taken by Estonia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	Update	Fraud Prevention	Horizontal	Public procurement	Competences	To clarify or consolidate existing rules.
	Operational	New	Fraud Detection			IT tools ("IT data feeding", "Other IT"); Risk indicators.	Enhanced information flow; Targeting of checks.

The package reported by Estonia encompasses amendments to its Public Procurement Act and an operational IT tool that help prevent and detect fraud in this area. On the one hand, the legislative update (§ 83(71), § 83(32), § 124 (1) (21)), effective since 1 June, 2022, focuses on the exclusion of economic operators. Potential exclusion grounds are made easier to detect as are irregularities by connecting public procurement procedures to invoices paid, ensuring that economic operators that should be excluded do not get their hands on EU funds. The IT, on the other hand, back this framework up by creating a direct link between the procurement register and the national unified economic accounting software. Public procurement procedures are thereby automatically linked to invoices paid, improving control and audit effectiveness.

### 3.8.2.3. Organisational Measure for Enhanced Cooperation among Authorities

Anti-Fraud Measure #3 Taken by Estonia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	Update	Fraud Prevention Fraud Detection	Horizontal	Financial crime (Including money laundering); Conflict of interest; Fraud definition; AFCOS; Shared management and control of EU funds.	General trainings; Fraud awareness trainings.	Neutral on resources.

The final action highlighted by Estonia, is a series of organisational trainings on the protection of the EU's financial interests meant to enhance cooperation. This series kicked off in spring 2022 with 30 persons from 15 interconnected authorities attending, followed by an OLAF introductory training for

more than 150 professionals in autumn. By bringing staff from various executive and investigative bodies together, these meetings intend to pave the way for cooperation.

### 3.9. Finland

#### 3.9.1. NAFS

Currently, Finland neither has a national anti-fraud strategy in place, nor does the Member State plan to establish such a strategy.

#### 3.9.2. Measures

For 2022, Finland only reported two new measures, both primarily aiming to strengthen fraud prevention, horizontally and around RRF funds. The administrative measure comprises guidelines to curbing corruption in the central state administration, which runs and supervises EU funds management. The organisational measure denotes training sessions on fraud prevention in administering RRF funds.

##### 3.9.2.1. Administrative Measure for Curbing Corruption in the Central Administration

Anti-Fraud Measure #2 Taken by Finland in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	New	Fraud Prevention ----- Fraud Detection	Horizontal	Corruption	Fighting corruption in public administration	To enhance existing measure

The first anti-fraud action listed by Finland for 2022 is a set of administrative guidelines that aims to curb corruption in the central state administration, which is responsible for running and supervising EU funded programmes. The Ministry of Finance issued these guidelines to state administrators to help them detect and identify corruption and act accordingly. To managerial staff the measure further gives guidance on applying procedures properly and controlling corruption risks.

##### 3.9.2.2. Organisational Measure for Finland's Recovery and Resilience Plan

Anti-Fraud Measure #2 Taken by Finland in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	New	Fraud Prevention	Sectoral: Recovery and Resilience Facility	AFCOS	General trainings; Fraud awareness trainings.	Neutral on resources

For 2022, Finland reported that it held training sessions on fraud prevention in administering and supervising RRF funds. These trainings were jointly organised by the State Treasury, Ministry of Employment and Economic Affairs, and Finland's AFCOS for the responsible authorities, who have little prior experience with running EU programmes. Therefore, the trainings focused on operational procedures as well as fraud risks associated with RRF funding. In some of these training sessions, OLAF and the EPPO participated, too, for the Finnish authorities to be fully conscious of the regulatory environment around fraud.

### 3.10. France

#### 3.10.1. NAFS

On 4 February, 2022, France adopted its national anti-fraud strategy, cross-cutting and covering the EU's financial interests. The Member State additionally runs an anti-corruption strategy, which protects the EU's financial interests, too.

#### 3.10.2. Measures

For 2022, France adopted three single measures, one legislative update and two new organisational actions, all of which cover fraud detection. The legislative update is horizontal, aligning French law with EU law on whistleblowers and their protection across the board. The second action is equally horizontal but organisational in nature, concerning a training agreement and special training courses with the EPPO. The second organisational measure targets specifically the RRF and has created a task force to monitor and anticipate fraud risks.

##### 3.10.2.1. Legislative Measure for a Higher Level of Protection for Whistleblowers

Anti-Fraud Measure #1 Taken by France in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Detection Investigation and Prosecution	Horizontal	Whistle-blowers;	Definition of a specific topic	To enforce the rules in line with developments in EU law

The legislative measure reported by France concerns an update and the alignment of domestic with EU law on the protection of whistleblowers. Law No. 2022-401 from 21 March, 2022, concretely clarifies the definition of whistleblower and the scope of information covered by whistleblowing, the scope of protection, supplementing also the list of information covered by professional secrecy. Should whistleblowers wish to benefit from protection, the channels available to them for reporting the facts have been simplified, and their non-liability for reporting extended.

In more clearly defining a whistleblower, France has loosened several requirements, therefore granting protection more easily and increasing the chance of fraud detection, investigation, and prosecution. Before the update, a whistleblower had to act “in a disinterest” manner to receive protection. In the Spin 2 Law, this concept has been replaced with the absence of financial compensation. A whistleblower further had to have personal knowledge of the facts on which they reported. This condition has been removed from the definition, recognising that protection should be granted even if the information reported on has been relayed to the whistleblower. And, finally, the breach of the rule, no longer has to be “serious and manifest”.

In short, now any natural person who reports or discloses, without financial compensation and in good faith, information pertaining to a crime, offence, threat, harm to the public interest, breach, or attempt to conceal a breach of international or EU law, is recognised as a whistleblower.

Besides the definition, other important changes have been made to the Spin 2 Law to enhance fraud detection, investigation, and prosecution by better protecting whistleblowers. Following the Whistleblowing Directive, the amended Spin 2 Law extends the protection afforded to whistleblowers, especially against retaliation, as well as natural persons and non-profit legal entities linked to them. Further, the law now gives whistleblowers the choice between internal and external reporting to the competent authority, the Defender of Rights, the courts, or a European body. The protection of sources has been strengthened, too, and the law newly reinforces confidentiality guarantees surrounding a report and extends the list of prohibited retaliation. The non-liability of



whistleblowers for reporting has been extended. The whistleblower may not be attacked in the civil courts for any harm which their report in good faith may have caused, or in the criminal courts for having intercepted and carried off confidential documents linked to their report containing information to which they had lawful access. The Law also aims to limit the financial cost of any proceedings which whistleblowers may have to initiate. At the start of a trial, the judge may grant a provision for legal costs to a whistleblower contesting a retaliatory measure or a gagging measure taken against them. The civil fine incurred in the event of a gagging measure against a whistleblower has been increased to EUR 60 000. Lastly, whistleblowers may benefit from psychological and financial support measures by the external authorities.

In addition to these amendments, Decree No 2022-1284 from October 3, 2022, which implements Law No. 2022-401, has appointed the Anti-Fraud Agency alongside the EPPO as the authority responsible for receiving external reports on breaches of integrity in particular where they concern breaches affecting the financial interests of the Union.

### 3.10.2.2. Organisational Measure for Effective and Efficient Fund Controls

Anti-Fraud Measure #2 Taken by France in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	New	Fraud Prevention ----- Fraud Detection	Horizontal	Fraud definition; AFCOS; Anti-fraud or anti-corruption strategy; Technical training.	General trainings; Fraud awareness trainings.	

A second organisational measure reported by France for 2022 concerns a training agreement and special training courses on fraud that affects the EU's financial interests that aim to raise awareness amongst relevant stakeholders and delegated authorities. Under Action 1.2.1 of France's NAFS, the Interministerial Anti-Fraud Coordination Office (MICAF) organises these.

Together with the EPPO, it offers two training modules, one on key concepts concerning fraud, the other entitled "Working with the EPPO", which focuses on reporting fraud the public prosecutor.

In addition, MICAF alone an annual catalogue of cross-cutting training courses intended for stakeholders responsible for tackling fraud against public finances. A network of interinstitutional trainers design and provide these trainings, which revolve around document fraud, internal control and risk management, and the fight against corruption.

To facilitate access to these courses, the MICAF has proposed an agreement that sets out the conditions for their delivery. Its signing by all parties is currently ongoing. Once running, the courses will help relevant stakeholders acquire the technical expertise needed to exercise fund controls effectively and efficiently.

### 3.10.2.3. Organisational Measure for France's Recovery and Resilience Plan

Anti-Fraud Measure #3 Taken by France in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	New	Fraud Prevention ----- Fraud Detection	Sectoral: Recovery and Resilience Facility	AFCOS; Anti-fraud or anti-corruption strategy; Oversight working group.	Inter-agency cooperation	Neutral on resources

In 2022, France, amongst other organisational anti-fraud action, created a task force to detect and better prevent new types of fraud against RRF funds. Set up under Action 3.2.1 of the Member State's NAFS by the MICAF, the task force brings together relevant domestic stakeholders for exchanges on



fraud risks, their definition, and, thus, detection. These exchanges could potentially be used to outline a risk map for use by systems to detect and investigate such fraud. The task force meets regularly, for the first time on October 27, 2022, then on February 7, 2023. Amongst the stakeholders involved are the National Recovery and Resilience Plan Coordination unit at France's Treasury, the Interministerial Committee for the Coordination of Inspections, the Secretariat-General for European Affairs, investigative services, including the Criminal Police's Central Directorate, the National Gendarmerie's Directorate-General, the Criminal Financial Investigations Service, and the EPPO.

### 3.11. Germany

#### 3.11.1. NAFS

Germany, due to being a federation, does not have a national anti-fraud strategy. Besides its sectoral national strategy, Germany's states therefore run regional anti-fraud strategies, some targeting specific sectors.

Framing its anti-corruption activities, the Member State has an overall anti-corruption strategy, which equally protects the EU's financial interests at large.

#### 3.11.2. Measures

For 2022, Germany reported three standalone administrative measures that predominantly aim to prevent fraud against EU funds, including agricultural, fisheries and cohesion funds, but also targeted the remaining three fraud cycle stages. They range from a new strategy paper to a strategic update and an updated self-assessment tool respectively.

##### 3.11.2.1. Administrative Measure against Conflicts of Interest in the EU Paying Agency

Anti-Fraud Measure #1 Taken by Germany in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	New	Fraud Prevention	Sectoral: Agriculture, Fisheries	Conflict of interest	Monitoring/desk checks; Irregularities reporting; Strategy paper.	To enhance existing measure

The first of three administrative single measures adopted by Germany in 2022 is a strategy paper that seeks to resolve conflicts of interest in the EU paying agency procedure. Targeting agriculture and fisheries, the paper lays the groundwork for a more uniform procedure for dealing with conflicts of interest in the German paying agencies and administrative authorities throughout the German federal system.

##### 3.11.2.2. Administrative Measure against Fraud and Corruption

Anti-Fraud Measure #2 Taken by Germany in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	Update	Fraud Prevention	Sectoral: Cohesion policy	Anti-fraud or Anti-corruption Strategy	Management of funds; Irregularities reporting.	Annual update
			Fraud Detection				
			Investigation, Prosecution				
			Recovery and Sanction				

For 2022, Germany finally reported an annually foreseen update of the anti-fraud and anti-corruption strategy embedded in the Thuringian ERDF operational programme, covering the entire anti-fraud cycle.

### 3.11.2.3. Administrative Measure for Sounder Fraud Risk Analyses and Action

Anti-Fraud Measure #3 Taken by Germany in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	Update	Fraud Prevention	Sectoral: Cohesion Policy	Conflict of interest; Anti-fraud or Anti-corruption Strategy.	Monitoring/desk checks	To enhance existing measure

The second of three administrative actions taken encompasses self-assessment tools, following up on Article 125(4)(c) of Regulation (EU) No 1303/2013 on the European Structural and Investment Funds for the 2014 – 2020 programming period as well as Annex I to the Guide to Fraud Risk Assessment and Effective and Proportionate Anti-Fraud Measures. Employed by the ERDF Managing Authority, this measure was meant to ensure that fraud risk assessments were sound, and anti-fraud measures effective and appropriate.

## 3.12. Greece

### 3.12.1. NAFS

On 10 March, 2017, Greece last updated its national anti-fraud strategy, which, to date, focuses on the use of cohesion policy funds across the country.

### 3.12.2. Measures

For 2022, Greece submitted three exclusively legislative single measures that mostly target the early stages of the anti-fraud cycle. One legislative measure is horizontal while the other two focus on RRF, agricultural, and fisheries funds. The horizontal measure transposes the Whistleblowing Directive into Greek law. To the Greek RRF Coordination Agency, an amendment adds a dedicated fraud prevention, detection, recovery, and sanctions unit. A third measure follows an EU recommendation, separating administrative from on-the-spot checks under agriculture and fisheries fund management.

#### 3.12.2.1. Legislative Measure for a Higher Level of Protection for Whistleblowers

Anti-Fraud Measure #1 Taken by Greece in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Detection	Horizontal	Whistle-blowers	Competences; Definition of a specific topic; Other administrative penalties; Criminal sanctions.	To enforce the rules in line with developments in EU law

The first legislative measure transposes the Whistleblowing Directive and other emergency arrangements that protect persons who report breaches of Union law into Greek law. Law 4990/2022 establishes a system for reporting said breaches, protect the persons who report them, secures a

corresponding submission procedure, sets up a channel for receiving and following up on reports, as well as a scheme for infringement penalties.

### 3.12.2.2. Legislative Measure for Greece's Recovery and Resilience Plan

Anti-Fraud Measure #2 Taken by Greece in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Prevention	Sectoral: Recovery and Resilience Facility	Public procurement; Corruption; Conflict of interest; Fraud definition; Shared management and control of EU funds; Anti-fraud or anti-corruption strategy.	Competences	To clarify or consolidate existing rules; To remedy flaws; To enforce the rules in line with developments in EU law.
			Fraud Detection				
			Recovery and Sanction				

Greece has further reported a legislative update, which adds to its RRF Coordination Agency a unit dedicated to fraud prevention, detection, recovery, and sanction in this sector. Its Planning Procedures and Assessing Audits directorate has been formed under Article 62 of Law 4916/2022 and Article 273 of Law 4738/2020, which form its statute. Accordingly, the directorate will draw up, monitor, and review actions that implement Greece's RRF Anti-Fraud Strategy, assess fraud risks, and adopt measures to combat fraud.

### 3.12.2.3. Legislative Measure against Conflict of Interests Risks

Anti-Fraud Measure #3 Taken by Greece in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Prevention	Sectoral: Agriculture, Fisheries	Public procurement; Corruption; Conflict of interest; Fraud definition; Shared management and control of EU funds; Anti-fraud or anti-corruption strategy.	Competences	To clarify or consolidate existing rules; To remedy flaws; To enforce the rules in line with developments in EU law.

The third legislative anti-fraud action described by Greece follows a European Commission recommendation (No PAYR/2020/004/GR/LF), separating administrative from on-the-spot checks of agriculture and fisheries funds to mitigate conflict of interest risks. Said risks, the recommendation reads, stem from the responsible Secretary General covering the relevant audit bodies and overseeing an EAFRD non-ICAS action beneficiary. On December 29, 2022, and by a ministerial decision (No 3658(392485/2022), the duties for administrative and on-the-spot checks have now been allocated to the agency heads concerned with the common agricultural policy (CAP).

## 3.13. Hungary

### 3.13.1. NAFS

On 15 November, 2022, Hungary updated its cross-cutting national anti-fraud strategy, covering the EU's financial interests and the whole national territory. With government decision No 1540/2020, not only operations under the 2021 – 2027 programming period and RRF, but equally those under the 2014 – 2020 program, the Brexit Fund, cross-border interregional schemes, and common agricultural policy will be integrated into the Member State's NAFS.

Beyond anti-fraud measures, the Hungarian strategy covered anti-corruption tools until 2022.

### 3.13.2. Measures

For 2022, Hungary reported the adoption of three mixed packages, two of which are horizontal, while a third covers a wide array of EU funds, focusing primarily on fraud prevention and detection. The first of two horizontal measures implements the Commission notification submitted to Hungary under the conditionality mechanism, which relates to the country's public procurement system, through new legislation and an operational update. The second of two horizontal measures is instead composed of a legislative update and a new operational measure, which strengthen cooperation between the Member State and OLAF on investigations. The final package targets multiple funds and entails new legislative, organisational, and operational steps, laying the groundwork for two bodies that will control EU funds.

#### 3.13.2.1. Mixed Package for More Competition and Transparency in Public Procurement

Anti-Fraud Measure #1 Taken by Hungary in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	New	Fraud Prevention	Horizontal	Public procurement; Corruption; Conflict of interest.	Competences; Powers.	To remedy flaws; To enforce the rules in line with developments in EU law.
	Operational	Update	Fraud Detection			IT tools ("IT data feeding", "Other IT")	Enhanced information flow; Enhanced ex-ante controls; Enhanced ex-post controls; Greater transparency.

The first package is made up of a legislative and an operational measure, focusing on public procurement as advised by the Commission notification submitted to Hungary on 27 April, 2022, under the conditionality mechanism. The latter objected specifically to the large share of single-bid procedures and low degree of competition marking Hungary's system and attesting to poor prevention and detection.

In an attempt to even out these flaws, Government Decree No 63/2022 and Government Decision No 1425/2022 describe specific measures, the actors involved, as well as their responsibilities and deadlines. An example of such a measure is a novel framework for reviewing public procurement procedures' merit in terms of efficiency and cost-effectiveness.

In context of bidding specifically, the operational measure prioritises transparency, thus foreseeing a monitoring system and review of Hungary's current Electronic Procurement System.

#### 3.13.2.2. Mixed Package for a Stronger Cooperation with OLAF

Anti-Fraud Measure #2 Taken by Hungary in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	Update	Fraud Prevention	Horizontal	OLAF on-site inspections	Competences; Powers; Other administrative penalties.	To enforce the rules in line with developments in EU law
			Fraud Detection				
	Operational	New	Investigation and Prosecution			Support for OLAF investigations	Enhanced cooperation; Smoother cooperation.

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The second package is composed of a legislative update and a new organisational measure, which, together, aim to strengthen cooperation between Hungary and OLAF in instances when an economic operator under investigation fails to do so. In other words, Act XXIX 2022 aligns Hungarian with EU law by enabling OLAF to request the assistance of the national tax and customs administration and fining its failure to cooperate. At the operational level, Hungary has, in turn, enabled customs officers to assist OLAF with on-the-spot checks in the event of resistance by the investigated economic operator. Ultimately, these measures thereby effect most phases of the anti-fraud cycle.

### 3.13.2.3. Mixed Package for a More Effective Control of EU Funds

Anti-Fraud Measure #3 Taken by Hungary in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	New	Fraud Prevention	Sectoral: Agriculture, Fisheries, Cohesion Policy, Centralised Direct Management, Fund for the Most Deprived, Globalisation Fund, Migration and Asylum, Recovery and Resilience Facility	Public procurement; corruption; conflict of interest; shared management and control of EU funds; Anti-fraud or anti-corruption strategy.	Competences; Powers; Definition of a specific topic.	To remedy flaws; To enforce the rules in line with developments in EU law.
	Organisational					Reorganisation of existing bodies; New body.	Increased resources
	Operational		Fraud Detection			IT tools ("IT data feeding", "Other IT"); Risk indicators; Increased number of checks; Structured cooperation with law enforcement; Structured cooperation with judicial authorities.	Enhance cooperation; Targeting of checks; Targeting of investigations; Enhanced ex-ante controls; Enhanced ex-post controls.

The third action reported by Hungary for 2022 is threefold, composed of a legislative, an organisational, and an operational measure, laying the groundwork for two bodies and with them, a more effective control of EU funds and compliance with the conditionality procedure invoked against the Member State.

Legislative Act XXVII 2022 establishes an Integrity Authority and Anti-Corruption Task Force, specifying the processes underlying them, their legal status, responsibilities, powers, guidance and rules for their operations, organisational structure, as well as their staff's rights and obligations.

Markedly, both bodies will bring objectivity to anti-fraud action in Hungary. The Integrity Authority will be independent and autonomous. Half of the task force will be composed of non-state actors that combat corruption without the government, authorities, political parties, and business interests.

Whilst equally independent, the bodies will approach anti-fraud action differently. The Integrity Authority, on the one hand, will strengthen prevention, detection, conflicts of interest, corruption, as well as other infringements and irregularities linked to EU funds spending. It may further control public contracts financed fully or partly through EU funds, impose related information obligations, and register legal persons that are to be excluded from public procurement. The Anti-Corruption Task Force, on the other hand, will examine anti-corruption measures and propose improvements as well as wholly new measures, which will be reflected in an annual report.

The remaining two actions, an organisational and an operational initiative, make adjustments to existing structures and tools to accommodate these new bodies.

### 3.14. Ireland

#### 3.14.1. NAFS

Ireland reported that it neither had a NAFS in place nor planned to set up one up.

#### 3.14.2. Measures

The Member State, however, pointed toward two single organisational measures that thoroughly fostered anti-fraud action at all cycle stages in the management of agricultural and fisheries funds. The first measure enhanced the fraud register, while the second measure entails an IT solution for conflict of interest declarations.

##### 3.14.2.1. Organisational Measure for Simpler Anti-Fraud Action

Anti-Fraud Measure #1 Taken by Ireland in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	New	Fraud Prevention	Sectoral: Agriculture, Fisheries	Public procurement; Financial crime (including money laundering); Conflict of interest; Fraud definition; Whistleblowers; Control of EU funds; Anti-Fraud or Anti-Corruption Strategy.	Fraud awareness trainings; Simplification of procedures.	Increased resources
			Fraud Detection				
			Investigation and Prosecution				
			Recovery and Sanction				

Touching on all stages of the anti-fraud cycle, the first of two organisational measures reported by Ireland for 2022 encompasses a review of its fraud and financial crime policy around managing agricultural and fisheries funds. It more specifically enhanced the fraud register, detailing of anti-fraud measures across the managing authorities and specific reporting pathways in relation to suspected fraud. In this context, Ireland also planned training to all relevant staff.

##### 3.14.2.1.1. Organisational Measure for Managing Conflict of Interest Declarations More Effectively

Anti-Fraud Measure #2 Taken by Ireland in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	New	Fraud Prevention	Sectoral: Agriculture, Fisheries	Conflict of interest	Scope; Simplification of procedures.	

The second organisational measure reported by Ireland constitutes a new electronic system for managing conflict of interest declarations, therefore boosting mainly fraud prevention in agriculture and fisheries funds. Especially the overwhelming complexity of managing these declarations manually due to staff mobility, for example, pushed Ireland toward adopting this measure.

### 3.15. Italy

#### 3.15.1. NAFS

Italy adopted its national anti-fraud strategy on 1 January, 2022. Its NAFS is cross-cutting, protecting the EU's financial interests across its entire territory.



### 3.15.2. Measures

For 2022, Italy reported a customs focused mixed method updating package, a new horizontal legislative measure, and a standalone operational update, which jointly cover all stages of the anti-fraud cycle. The package intended to curb tax evasion and money launder associated with the entry of underdeclared Chinese goods into EU territory. The operational update concerns a plan that targets customs and VAT fraud, and, finally, the legislative measure aligned Italian with EU law on asset confiscation.

#### 3.15.2.1. Mixed Package against the Undervaluation of Goods Entering the EU

Anti-Fraud Measure #1 Taken by Italy in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Administrative	Update	Fraud Prevention	Sectoral: Customs	Organised crime; Customs/TOR/illicit trade.	On the spot checks; Investigation; Irregularities.	Cross-cutting measure, multi-agency measure/ measure with impact on various bodies
	Organisational		Fraud Detection			Inter-agency cooperation; Fraud awareness trainings.	Increased resources
	Operational		Investigation and Prosecution			Risk indicators; Increased number of checks; Structured cooperation with law enforcement; Structured cooperation with judicial authorities.	Targeting of checks; Targeting of investigations.

Italy, firstly, reported a mixed-measure package for 2022, which, joining administrative, organisational, and operational, aimed at the improved prevention, detection, investigation, and prosecution of tax evasion and associated money launder linked to customs. Specifically Chinese underdeclared goods entering EU territory were at the package's core. The administrative action encompassed a report on the inspected undertakings' tax residence, which was produced cooperatively by the Revenue Agency and competent judicial authorities. In the organisational and operational domains, the Customs and State Monopolies Agency's Anti-Fraud Directorate updated its local offices on the forms of tax evasion linked to undervalued Chinese products' entry into the EU. Included in this update were the financial intelligence unit's report and the Prime Minister's Office's annual report on information security policy, which highlighted the impact of underinvoicing by and dangers of Chinese criminal organisations.

#### 13.15.2.2. Operational Measure for Building Anti-VAT Fraud Capacity

Anti-Fraud Measure #2 Taken by Italy in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	Update	Fraud Prevention	Sectoral: Customs, Tax Fraud	Fraud definition; Customs/ToR/Illicit trade; Anti-fraud or anti-corruption strategy.	Risk indicators; Structured cooperation with law enforcement; Structured cooperation with judicial authorities.	Enhanced cooperation; Targeting of checks; Targeting of investigations; Enhanced ex-ante controls; Enhanced ex-post controls.
			Fraud Detection				
			Investigation and Prosecution				
			Recovery and Sanction				

Italy, for 2022, further reported an operational plan that targets all stages of VAT and customs fraud. In drawing up said plan, the Guardia di Finanza participated in four projects. Firstly, it took part in the EMPACT international cooperation circuit, leading on the missing trader intra community fraud

priority, and heading an operation against carousel fraud in the retail sector. The law enforcement agency was, secondly, involved in the EMPACT project, which focused on excise duty fraud and countered illegal activities around processed tobacco. Thirdly, the Guardia di Finanza participated on the Joint Action Days and Joint Customs operations of the Law Enforcement Working Party. Finally, it performed customs checks that revolved around the international trade in endangered species of wild fauna and flora.

### 13.15.2.3. Legislative Measure for an Enhanced Anti-Fraud Capacity

Anti-Fraud Measure #3 Taken by Italy in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	New	Investigation, Prosecution Recovery and Sanction	Horizontal	Public procurement; Fraud definition; Customs/ToR/illicit trade; Shared management and control of EU funds; Anti-fraud or anti-corruption strategy	Definition of a specific topic; Recovery; Criminal sanctions.	To enforce the rules in line with developments in EU law

Across sectors, the packaged legislative measures reported by Italy for 2022 align domestic with EU law in defining asset confiscation to improve the competent authorities' capacity for fraud investigation, prosecution, sanctioning, and funds recovery. Law No. 25 of 28 March, 2022, and Legislative Decree No. 156 of 4 October, 2022, increase the scope of confiscation in circumstances specified in Article 240 bis of the Italian Criminal Code and amend said circumstances in Articles 316 bis, 316 ter, and 640 bis. Effectively, all fraud types that damage the EU's financial interest are now covered by confiscation for disproportionality and smuggling.

## 3.16. Latvia

### 3.16.1. NAFS

Latvia has had a national anti-fraud strategy since 29 May, 2020, cutting across sectors and protecting the EU's financial interests across its entire territory. Its update is due in 2023.

### 3.16.2. Measures

For 2022, Latvia reported three new standalone anti-fraud measures, which were exclusively intended to improve fraud detection, horizontally and in taxes. The operational measure is an IT tool used to search for red flags in revenue and expenditure controls and checks. The first of two organisational measures, concerns an e-learning course on the protection of the EU's financial interests, available country wide, the second refers to capacity building trainings for revenue and control staff.

#### 3.16.2.1. Operational Measure for a Broad Access to Fraud Risk Data

Anti-Fraud Measure #1 Taken by Latvia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	New	Fraud Detection	Horizontal	AFCOS	IT tools ("IT data feeding", "Other IT")	Targeting of checks; Targeting of investigations; Enhanced ex-post controls.

The first of three anti-fraud actions described by Latvia is an operational IT tool for fraud detection as regards EU revenues and expenditures. It was designed by AFCOS based on the “Methodology on Typologies of Crimes that Can Cause Damage to the EU’s Financial Interests”. Accordingly, the tool allows users countrywide to search for red flags and typologies of fraud with filters, aiming to improve data analysis during controls and checks within fraud detection.

### 3.16.2.2. Organisational Measure for an Improved Awareness of the AFCOS’s Duties

Anti-Fraud Measure #2 Taken by Latvia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	New	Fraud Detection	Horizontal	AFCOS	General trainings	Neutral on resources

For 2022, the first of two organisational measures reported by Latvia concerns an e-learning course on the protection of the EU’s financial interests that is available country wide. Developed by AFCOS, the course encompasses four chapters that give its user an insight to the history of EU anti-fraud, regulatory acts, and definitions, the institutions involved and their tasks, anti-fraud actions, and fraud reporting. The course will be available to the AFCOS network’s employees, familiarise new employees with their job duties, and upkeep this awareness.

#### 3.16.2.2.1. Organisational Measure for Greater Fraud Detection Capacity Among Revenue Control Staff

Anti-Fraud Measure #3 Taken by Latvia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	New	Fraud Detection	Sectoral: Tax Fraud	Fraud Definition	Competence	Decreased resources

Latvia thirdly reported another organisational measure aimed at building fraud detection capacity amongst revenue control staff through trainings. These sessions were provided under OLAF’s Hercule III programme and correspondingly sought to better integrate technical means and software for fraud detection into the State Revenue Service’s daily control activities. They more specifically taught staff how to retrieve data through programmes from carriers, and cloud storage during these activities in a consistent format. Detecting incomplete declarations should therefore become easier, as should the continuation of control measures, from audits to the initiation of criminal proceedings.

## 3.17. Lithuania

### 3.17.1. NAFS

Lithuania follows a NAFS, more specifically, an Anti-Corruption Strategy that also covers the EU’s financial interests. But, the development of an anti-fraud strategy and methodology for assessing criminal threats to the financial system, including EU funds is ongoing.



### 3.18. Luxembourg

#### 3.18.1. NAFS

Luxembourg does not have a NAFS in place, however, the procedure for establishing such a strategy is ongoing. In said process, Luxembourg relies on the 2021 – 2027 funding programme and RRF results.

The Member State will until then follow a sectoral national strategy that targets specifically cohesion policy, agricultural, and recovery and resilience facility funds.

#### 3.18.2. Measures

Luxembourg reported two measures for 2022, including a single legislative update that cuts across sectors and a new operational package that is dedicated to the RRF, which cover all stages of the anti-fraud cycle. The legislative measure aligns Luxembourgish law on mutual assistance and the fight against money laundering and the financing of terrorism with international standards, while the operational measure broadly relates to the framework underpinning the country's RRP.

##### 3.18.2.1. Legislative Measure for Improved International Mutual Assistance

Anti-Fraud Measure #1 Taken by Luxembourg in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Prevention	Horizontal	Financial crime (including money laundering)	Powers; Definition of a specific topic.	To clarify or consolidate existing rules
			Fraud Detection				
			Investigation and Prosecution				
			Recovery and Sanction				

For 2022, Luxembourg reported a single legislative measure that aligns key legal texts governing the international mutual assistance on criminal matters and the fight against money laundering and the financing of terrorism, and ensures that they comply with international standards. On 12 August, 2022, the law from 29 July, 2022, entered into force, updating the criminal procedure code, the law of 8 August, 2000, on international judicial assistance in criminal matters, the law of 12 November, 2004, on the fight against money laundering and terrorist financing, as well as the law from 10 July, 2020, on the central fiduciary and trusts register.

##### 3.18.2.2. Operational Package for Luxembourg's Recovery and Resilience Plan

Anti-Fraud Measure #2 Taken by Luxembourg in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Operational	New	Fraud Prevention	Sectoral: Recovery and Resilience Facility	Shared management and control of EU funds	IT tools ("IT data feeding", "Other IT"); Flagging practice; Increased number of checks; Structured cooperation with judicial authorities.	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks; Enhanced ex-ante controls; Enhanced ex-post controls.
			Fraud Detection				

The operational anti-fraud action reported by Luxembourg for 2022, is sectorally restricted to the RRF, aiming to provide a framework to prevent and detect fraud, corruption, double funding, and avoid conflicts of interest. This management and control system has been laid out in alignment with

Regulation (EU) 2021/241, which established the RRF. It, correspondingly, aims to implement an effective and efficient control process throughout the execution of the Recovery and Resilience Plan and to respond to the various requests of the European Commission or any other authority.

### 3.19. Malta

#### 3.19.1. NAFS

Malta adopted its updated national anti-fraud and corruption strategy on 31 May, 2021. It now stretches across sectors and protects the EU's financial interests and international public funds throughout the Member State.

#### 3.19.2. Measures

Malta reported only one new standalone administrative action, which transverses sectors and targets fraud prevention and detection. It, more specifically, refers to the country's first National Risk Assessment of fraud and corruption in Malta.

##### 3.19.2.1. Administrative Measure for Continuously Effective Risk Based Anti-Fraud Action

Anti-Fraud Measure #1 Taken by Malta in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	New	<div>Fraud Prevention</div> <div>Fraud Detection</div>	Horizontal	Fraud and Corruption Risk Assessment and Management	Risk management cycle	High-level results of the first NRA on Fraud and Corruption

In 2022, the Internal Audit and Investigations Department, for the first time, undertook a National Risk Assessment (NRA) on fraud and corruption in Malta linked to public funds. This also includes funds that Malta is required to manage under its international obligations. To protect these effectively, the NRA sets out to maintain an effective Maltese risk based regime, prioritise and allocate public resources accordingly, assists national authorities in fine tuning their controls, and raise awareness among the general public.

### 3.20. Netherlands

#### 3.20.1. NAFS

The Netherlands do not have a national anti-fraud strategy in place. The procedure for establishing such a strategy is, nevertheless, currently ongoing. Second only to the centralisation of processes that counteract fraud against EU funds. The Dutch AFCOS is key in the latter step, clarifying and expanding its tasks and responsibilities in coordinating anti-fraud actions.

In parallel, the Member State still runs a cross-cutting anti-fraud strategy that protects the EU's financial interests across its territory.

#### 3.20.2. Measures

For 2022, the Netherlands reported three measures, including a single but horizontal operational update, a customs focused single organisational update, and a standalone operational update on fisheries funds, which target primarily fraud prevention but touch upon detection and recovery, too.

The first measure will ensure that future legislation will be enforceable and verifiable before it becomes effective. The second action improved the Netherlands' reporting on traditional own resources, and, finally the third step taken is toward an update fraud risk assessment framework for fisheries funds.

### 3.20.2.1. Operational Measure for More Easily Enforceable and Verifiable Regulation

Anti-Fraud Measure #1 Taken by the Netherlands in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	Update	Fraud Prevention	Horizontal	Shared management and control of EU funds	Risk indicators	Enhanced coordination; Targeting of checks; Enhanced ex-ante controls.

In the future, the first of two updated operational measures described by the Netherlands will test new regulation across the board. Targeting its enforceability and verifiability before regulation becomes effective, this testing will enhance coordination, checks, and ex-ante controls throughout the shared management of EU funds. As the measure allows any identified flaws to be adjusted, it will strengthen help prevent fraud against these funds.

### 3.20.2.2. Organisational Measure for Improved Reporting

Anti-Fraud Measure #2 Taken by the Netherlands in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	Update	Fraud Detection	Sectoral: Customs	Shared management and control of EU funds	Leading times; Mission reports.	Increased resources
			Recovery and Sanction				

In 2022, the Netherlands further realised an organisational update that ease the shared management and control of EU funds by improving the reporting on traditional own resources. This update concerns, amongst others, the mutual assistance reports, whose information value has been heightened through content adjustments and changes to their handling including leading times. In the long-run, better shared management should strengthen fraud detection as well as the fund recovery and fraud sanctioning, freeing up more resources.

### 3.20.2.3. Operational Measure for Comprehensive Fraud Risk Assessments

Anti-Fraud Measure #3 Taken by the Netherlands in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	Update	Fraud Prevention	Sectoral: Fisheries	Shared management and control of EU funds	Preventative screening for the establishment of good clear and enforceable regulations	Targeting of checks; Enhanced ex-ante controls.

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The second operational measure reported by the Netherlands points to an update of the fraud risk assessment framework that is obligatory for new legislation governing EU fisheries funding. Aiming to strengthen fraud prevention, the measure is to identify possible complications and fraud opportunities ahead of them occurring and affecting funds. It maps out these risks, weights and links them to control measures, such as specific checks, stakeholder communication, and sanctions. In this process, the analysis covers every step, from application to settlement, the type of regulation, its target group, and the level of compensation considered.

### 3.21. Poland

#### 3.21.1. NAFS

Presently, Poland neither runs nor intends to deploy a national anti-fraud strategy.

#### 3.21.2. Measures

For 2022, Poland, nevertheless, reported three all new measures, composed of a mixed type package, an operational, and legislative standalone action, which focus on fraud prevention and detection in tax revenues, cohesion and agricultural funds respectively. The package creates a national e-invoicing system, while the single operational measure set up an IT tool used for EU project controls. Finally, the legislative action lays out practices to prevent conflicts of interest amongst staff in the Ministry of Agriculture and Rural Development.

##### 3.21.2.1. Mixed Package for Strengthened VAT Checks

Anti-Fraud Measure #1 Taken by Poland in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	New	Fraud Prevention	Sectoral: Tax fraud	Financial crime (including money laundering); VAT.	Competences; Powers; Definition of a specific topic; Recovery.	To remedy flaws; To enforce the rules in line with developments in EU law.
	Organisational	New	Fraud Detection			Simplification of procedures	Reduced costs of invoicing for entrepreneurs; Digitalisation of paper and electronic documents; Faster, electronic, automated circulation of invoices; No need to manually register invoices; Facilitated and automated posting of invoices in financial and accounting systems.
			Investigation, Prosecution				
			Recovery and Sanction				
	Operational	New				IT tools ("IT data feeding", "Other IT")	Enhanced coordination; Enhanced information flow.

In 2022, Poland, firstly, created a national e-invoicing system, which aims to tighten the tax system, reduce irregularities in VAT accounting, improve business operating conditions with easier document access, and discourage dishonest behaviour on part of taxpayers as a whole. The system, mandated by Act 2076, from October 2021, and Regulation 2481 from 27 December, 2021, is underpinned by a central, continuously reinforced and updated database of business-to-business and business-to-customer transaction invoices, which will also serve as an archive. With a standardised electronic invoice model, analyses will be automated and centralised under the National Revenue Administration. Matching this new model, the invoicing process has also been simplified and made



less bureaucratic. These changes then, intend to aid VAT checks, affecting all stages of the anti-fraud cycle by modernising the accounting system.

### 3.21.2.2. Operational Measure for Improved and More Transparent Project Planning and Monitoring

Anti-Fraud Measure #2 Taken by Poland in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	New	Fraud Prevention	Sectoral: Cohesion Policy	Shared management and control of EU funds	IT tools ("IT data feeding", "Other IT"); Digitalisation of control of EU funded projects; simplification of control procedures; enhancements of control related information flow.	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks; Enhanced ex-post controls; Improved project controls; Improved risk monitoring and fraud trends; Better protection of EU financial interests.
			Fraud Detection				

For 2022, Poland reported the introduction of a new IT tool used in project controls to better protect EU cohesion policy as well as recovery and resilience plan funds from being compromised. It more specifically computerises these controls, including their underlying processes like the setting up of questions and checklists and their implementation, from filling in check lists to compiling the audit trail. The application thereby enables inspectors to plan, implement, and record key project control processes in one location, enhancing their transparency. Inspectors can, further, more easily monitor projects post control, potentially gaining new insights into risk and irregularity trends. And, finally, with this IT tool, observers gain access to the controls of implemented and registered projects, speeding up risk responses. By improving the control process on full scale, the e-Controls application should correspondingly boost fraud prevention and detection.

### 3.21.2.3. Legislative Measure against Conflicts of Interest in the Government

Anti-Fraud Measure #3 Taken by Poland in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Prevention	Sectoral: Agriculture	Corruption; Conflict of interest.	Definition of a specific topic	To clarify or consolidate existing rules
			Fraud Detection				

Poland additionally introduced a legislative measure that lays down practices to prevent conflicts of interest amongst staff in the Ministry of Agriculture and Rural Development. As part of this ministry's anti-corruption strategy, Order No 21 from 27 September, 2022, specifies the conduct in the case that honesty, objectivity, or impartiality standards are being violated. It further outlines how corruption threats should be reported, compiled, recorded, and handled, as well as how corruption, conflicts of interest, and anti-corruption actions should be implemented.

## 3.22. Portugal

### 3.22.1. NAFS

Since April 23, 2015, Portugal has had a national anti-fraud strategy in place, which is soon to be updated. While it is currently limited to cohesion policy funds, this nationwide strategy will then target RRF, agricultural, and fisheries funds, too.

### 3.22.2. Measures

For 2022, Portugal reported that it had adopted three operational packages, which made updates to anti-fraud action across customs, taxes, a variety of funds, and agricultural and fisheries funds respectively touching repeatedly upon various stages of the anti-fraud cycle. Firstly, the Member State updated its strategic plan for combatting tax and customs duty fraud. Secondly, it updated its national anti-fraud strategy, and, thirdly, Portugal updated its strategy for ex-ante quality controls of agricultural and fisheries funding.

#### 3.22.2.1. Operational Package for Enhanced Data Quality and Risk Analyses

Anti-Fraud Measure #1 Taken by Portugal in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Operational	Update	Fraud Prevention	Sectoral: Customs, Tax Fraud	Plan to combat tax and customs revenue fraud and evasion	IT tools ("IT data feeding", "Other IT"); Flagging practice; Risk indicators; Increased number of checks.	Enhanced coordination; Enhanced information flow; Targeting of checks; Enhanced ex-ante controls.
			Fraud Detection				
			Recovery and Sanction				

The Member State adopted a package of operational measures that implement the 2021-2022 Addendum to Portugal's 2018-2020 Strategic Plan for Combatting Tax and Customs Duty Fraud and Evasion. These measures mostly digitise existing means to combat these malpractices. Portugal has reported that information quality and quantity have increased since then, allowing tax returns to be pre filled and cases of evasion and fraud identified early on. Additionally, the system for declaring low-value assignments has been complemented with risk assessment tools.

#### 3.22.2.2. Administrative Package for an Updated NAFS

Anti-Fraud Measure #2 Taken by Portugal in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Administrative	Update	Fraud Prevention	Sectoral: Agriculture, Fisheries, Cohesion Policy, Centralised Direct Management, Fund for the Most Deprived, Globalisation Fund, Migration and Asylum, Recovery and Resilience Facility	Anti-fraud or Anti-corruption Strategy	Management of funds; Irregularities reporting.	Annual update
			Fraud Detection				
			Investigation, Prosecution				
			Recovery and Sanction				

In 2022, Portugal updated its national anti-fraud strategy from cohesion policy to all EU funding programmes to more wholly protect its financial interests. Close coordination amongst the Inspectorate-General for Finance Audit Authority, the Development and Cohesion Agency, and the Institute for Agriculture and Fisheries Financing produced a packaged 5-year action plan that covers all stages of the anti-fraud cycle. It will involve all bodies that manage and control EU funds in Portugal.

### 3.22.2.3. Operational Package for More Thorough Oversight

Anti-Fraud Measure #3 Taken by Portugal in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Operational	Update	Fraud Prevention	Sectoral: Agriculture, Fisheries	Shared management and control of EU funds	Flagging practice; Increased number of checks; Parcel and land areas management.	Enhanced coordination; Enhanced information flow; Enhanced ex-ante controls; Enhanced ex-post controls.
			Fraud Detection				
			Recovery and Sanction				

A second package of operational actions taken by Portugal in 2022 denotes an update of the country's strategy for ex-ante quality controls to defend payments and contracting in agriculture and fisheries against fraud. Said strategy targets particularly young farmers in these domains, tightening up controls and oversight procedures for handling irregularities and recovering any unduly paid out aid, and thoroughly monitoring operations in the long-run. Beyond these practical improvements, the strategy facilitates liaison amongst the managing authorities.

## 3.23. Romania

### 3.23.1. NAFS

Romania does not follow a NAFS, but has initiated its establishment. The decisions made to produce the draft NAFS are currently being evaluated in terms of transparency, while the draft itself is undergoing an inter-professional consultation. The process will be concluded with the government endorsing and approving the strategy, which is projected to the first half of 2023.

In parallel, Romania relies on several domestic strategies that will connect to its future NAFS, such as its national anti-corruption strategy for 2021 – 2025 and its medium-term strategy for the National Agency for Fiscal Administration for 2021 – 2024.

### 3.23.2. Measures

In 2022, Romania took, amongst others, two new and one updating single legislative measures, which touched upon all stages of the anti-fraud cycle, concentration on prevention and detection, horizontally, the RRF, and various funds. The horizontal action, once again, concerned the transposition of the Whistleblower Directive into domestic law. The RRF action regulates the dispersion of funds, and, finally the multiple fund measure proceeded similarly.

#### 3.23.2.1. Legislative Measure for a Higher Level of Protection for Whistleblowers

Anti-Fraud Measure #1 Taken by Romania in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Detection	Horizontal	Whistleblowers	Definition of a specific topic; Protection of whistleblowers.	To enforce the rules in line with developments in EU law.
			Investigation and Prosecution				

The first legislative anti-fraud action reported by Romania for 2022 transposes the EU Whistleblower Directive, reinforcing fraud detection, its investigation, and prosecution by better protecting whistleblowers who act in the public interest. Law 361/2022 from 16 December, 2022, lays the groundwork for this protection of persons who, more specifically, report breaches of the law within authorities, public institutions, other legal persons subject to public law, and legal persons governed by private law. It sets out the procedures for receiving, examining, and acting on such reports, whistleblowers' rights, measures to protect them, authorities' obligations, and data subjects' rights.

### 3.23.2.2. Legislative Measure for Romania's Recovery and Resilience Plan

Anti-Fraud Measure #2 Taken by Romania in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Prevention	Sectoral: Recovery and Resilience Facility	Public procurement; Conflict of interest; Shared management and control of EU funds.	Competences; Powers; Recovery.	To enforce the rules in line with developments in EU law
			Fraud Detection				
			Investigation, Prosecution				
			Recovery and Sanction				

The second of three legislative measures reported by Romania is an emergency order that regulates funds dispersed under the RRF and/or related national public funds. Emergency Ordinance (GEO) No 70/2022 from 26 May, 2022, aims to more effectively prevent, verify, detect, and recover double funding and irregularities in public procurement, state aid, and *de minimis* schemes.

### 3.23.2.3. Legislative Measure for Aligning Romanian with EU Law on Fund Management

Anti-Fraud Measure #3 Taken by Romania in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Prevention	Sectoral: Agriculture, Fisheries, Cohesion Policy, Fund for the Most Deprived, Migration	Conflict of interest; Shared management and control of EU funds; Recovery of state aid.	Competences; Definition of a specific topic; Recovery; Financial penalties.	To clarify or consolidate existing rules; To enforce the rules in line with developments in EU law.
			Fraud Detection				
			Recovery and Sanction				

The last of three legislative measures, too, is a government emergency order, which amends the existing rules that govern the prevention, detection, and sanctioning of irregularities in the dispersion of EU funds in Romania as well as related national funds. On the one hand, Government Emergency Ordinance No 97 from 29 June, 2022, aligns Romania's legal framework under GEO No 66/2021 with relevant EU rules on three accounts. First, provisions on recovering and calculating interest on state and *de minimis* aid have been adjusted to reflect EU rules on fund management. Second, Romanian legislation regulating conflicts of interests now follows Article 61 of Financial Regulation No 1046/2018. And, third, provisions on the annual accounts' clearance have been amended to mirror EU law. On the other hand, GEO No 97 adapts existing domestic rules to the new management framework for regional operational programmes for the 2021 – 2027 programming period. In brief, the legislative measure closes the gap between Romanian and EU law on fraud prevention, detection, recovery, and sanction and future proofs it.

### 3.24. Slovakia

#### 3.24.1. NAFS

Since 4 June, 2019, Slovakia has had an updated version of its cross cutting anti-fraud strategy in place, which protects the EU's financial interests throughout its entire territory.

#### 3.24.2. Measures

Slovakia reported three measures, including two standalone novelty actions, one legislative and the other operational, as well as an updating legislative package. Jointly, these steps touch on all stages of the anti-fraud cycle on multiple accounts. The single legislative measure concerns amended rules governing the distribution of fisheries, cohesion, and migration and asylum funds. The operational measure is a cooperation agreement that defines relevant authorities' future contribution toward more effectively auditing funds, and, finally, the legislative package updated the distribution of RRF funds.

##### 3.24.2.1. Legislative Measure on the Dispersion of EU Funds and Treatment of Irregularities

Anti-Fraud Measure #1 Taken by Slovakia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Prevention Fraud Detection Investigation, Prosecution Recovery and Sanction	Sectoral: Fisheries, Cohesion Policy, Migration and Asylum	Conflict of interest; AFCOS; Shared management and control of EU funds; Irregularities; Transparency.	Competences; Powers; Definition of a specific topic; Recovery; Financial penalties.	To enforce the rules in line with developments in EU law

The first of two legislative measures reported by Slovakia for 2022 concerns new rules governing the distribution of fisheries, cohesion policy, and migration and asylum funds in the Member State. Act No. 121/2022 from March 16, 2022 more concretely contains rules on relations, procedures, and conditions for accessing these funds, the competences of the relevant authorities in managing and controlling said funds, as well as liabilities in the case that these conditions are breached. Along these considerable novelties, the act also outlines the handling of irregularities through, for example, close cooperation between MAs and law enforcement bodies.

##### 3.24.2.2. Operational Measure for Boosting Cooperation among Managing Authorities

Anti-Fraud Measure #2 Taken by Slovakia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Operational	New	Fraud Prevention	Sectoral: Cohesion Policy	Public procurement; Conflict of interest; Shared management and control of EU funds.	Methodical support; Education; Mutual exchange of information; Institutional cooperation.	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks.

Slovakia additionally described an operational measure, a cooperation agreement that defines relevant authorities' future contribution towards more effective EU cohesion policy fund audits. The agreement amongst the Slovak Ministry of Investments, Regional Development and Digitalisation, the Supreme Audit Office, and the Public Procurement Office targets specific audit areas, where cooperation promises outstanding benefits for fraud prevention. Building on existing competences in

auditing the eligibility of expenditure, mutual methodological support, education, and information exchange in public procurement, for example, should deliver superior results.

### 3.24.2.3. Legislative Package for the Slovakian Recovery and Resilience Plan

Anti-Fraud Measure #3 Taken by Slovakia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	Update	Fraud Prevention	Sectoral: Recovery and Resilience Facility	Conflict of interest; Recovery and Resilience Plan.	Powers; Definition of a specific topic.	To clarify or consolidate existing rules; To remedy flaws; To enforce the rules in line with developments in EU law.
			Fraud Detection				
			Recovery and Sanction				

In 2022, Slovakia took a second legislative measure amends Act No. 368/2021 that governs RRF funds to better prevent, detect, recover, and sanction fraud against them. Improvements made range from more powers for the National Implementation and Coordination Authority, such as requesting information from the Public Procurement Office, police, law enforcement and courts for resolving irregularities, over the exclusion of applicants, to alignments of legal definitions, such as of conflict of interests, with EU law.

## 3.25. Slovenia

### 3.25.1. NAFS

Slovenia neither follows a national anti-fraud strategy nor plans to establish one. However, the Member State runs an anti-fraud strategy to guide the domestic coordination body overseeing the RRF.

### 3.25.2. Measures

For 2022, Slovenia reported two single legislative updates that focus on tax fraud, alongside customs and fisheries funds, and a third mixed type package underpinning RRF funds, boosting, amongst others, fraud prevention and detection. The second legislative measure amends control and monitoring procedures. The mixed measure package, by contrast, revolved around setting up a manual for implementing the RRF on part of its coordinating body.

### 3.25.2.1. Legislative Measure for Aligning Slovenian Law with the PIF Directive

Anti-Fraud Measure #1 Taken by Slovenia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Prevention	Sectoral: Customs, Tax Fraud	VAT fraud by officials	Power in criminal proceedings	To remedy flaws
			Fraud Detection				
			Investigation and Prosecution				

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The first legislative measure reported by Slovenia more closely monitors losses from missing trader VAT fraud and transposes the PIF Directive into domestic law, strengthening fraud prevention, detection, investigation and prosecution on the revenue side. With regards to the PIF Directive's transposition, the Law on Amendments and Additions to the Criminal Code (KZ-1J), which was published in the Slovenian Official Gazette No. 16/23, adjusts the definition of "EU official" to match the Staff Regulations of Officials and the Conditions of Employment of Other Civil Servants of the European Union under EU law. Thereby, it expanded the jurisdiction of Slovenian authorities in criminal proceedings where the suspect of any criminal offence is an EU official.

### 3.25.2.2. Legislative Measure for More Expansive Controls and Reinforced Monitoring

Anti-Fraud Measure #2 Taken by Slovenia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	Update	Fraud Prevention	Sectoral: Tax Fraud, Fisheries	Implementation monitoring	Competences; Powers; Financial penalties; Other administrative penalties.	To clarify or consolidate existing rules; To remedy flaws; To enforce the rules in line with developments in EU law.
			Fraud Detection				
			Investigation and Prosecution				

In 2022, Slovenia adopted a twofold legislative measure focusing, on the one hand, on control procedures for detecting fraud against fisheries funds and, on the other hand, on the prevention of money laundering.

Act No. 48/22 expands the control procedures used by the Agency for Agricultural Markets and Rural Development to detect fraud and artificially created conditions under said body's operating programme for implementing the European Maritime and Fisheries Fund in the Member State from 2014 - 2020.

Act No. 145/22 aims to more effectively monitor measures that are meant to prevent money laundering and the financing of terrorism and are deployed by the Slovenian Office for the Prevention of Money Laundering. In fact, this act transposes Directive (EU) 2019/1153 and Directive (EU) 2019/217, detailing, too, the implementation of Regulation (EU) 2018/1672. Finally, it corrects, occasionally loosens existing rules on money laundering and terrorist financing, and introduces new tools that may be used by liable entities for implementation or by supervising entities for monitoring, enabling money laundering and terrorist financing risks to be managed more effectively.



### 3.25.2.3. Mixed Package for the Slovenian Recovery and Resilience Facility

Anti-Fraud Measure #3 Taken by Slovenia in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Administrative	New	Fraud Prevention	Sectoral: Recovery and Resilience Facility	Public procurements; Financial crime; Organised crime; Corruption; Conflict of interest; Fraud definition; AFCOS; Whistleblowers; Shared management and control of EU funds; Anti-fraud or anti-corruption strategy; RRF anti-fraud strategy.	Monitoring/desk checks; On the spot checks; Irregularities reporting; Manual; Integrity plan.	To clarify or consolidate existing rules; To enhance existing measures; More effective risk management.
	Organisational					Simplification of procedures; Risk management.	Neutral on resources
	Operational		Fraud Detection			IT tools ("IT data feeding", "Other IT"); Flagging practice; Risk indicators.	Targeting of checks; Enhanced ex-ante controls; Enhanced ex-post controls; More effective risk management.

Slovenia reported a third, mixed measure, which it adopted in 2022. The new package combines administrative, organisational, and operational steps towards a manual for implementing the Recovery and Resilience Facility (Version 1.1. – August 2022) on part of its coordinating body.

More concretely, the administrative measure encompasses the manual and the integrity plan, while the organisational measure concerns risk management and its operational counterpart a corresponding IT tool.

## 3.26. Spain

### 3.26.1. NAFS

As of 2022, Spain does not have a national anti-fraud strategy, but is establishing one. In the future, it will extend to the State Administration, Spain's autonomous communities, and local authorities, protecting the EU's financial interests in full. On the State Administration's part, the will additionally include measures that protect national budget expenditure against fraud and corruption. That is, due to the commitment made by the Secretary of State for Public Administration and compliance with the IV Open Government Plan regarding the Integrity System of the General State Administration. In 2023, the strategy will most likely be completed.

### 3.26.2. Measures

Spain described a single horizontal legislative and administrative measure, as well as a standalone new legislative action around the RRF, targeting all fraud cycle stage on multiple occasions. The first of two legislative measures creates new rules on financial and other fraud related information. The administrative update encompasses an information exchange agreement across various relevant authorities. The RRF specific measure lays down rules for the systematic analysis of conflict of interest risks.

### 3.26.2.1. Legislative Measure for Aligning Spanish Law with the Law Enforcement Access to Financial Information Directive

Anti-Fraud Measure #1 Taken by Spain in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Prevention	Horizontal	Financial crime; Anti-fraud or anti-corruption strategy.	Competences	To enforce the rules in line with developments in EU law
			Fraud Detection				
			Investigation and Prosecution				
			Recovery and Sanction				

The first of two legislative steps taken by Spain in the reporting period creates new rules on financial and other information for the prevention, detection, investigation, and prosecution of criminal offences. To this end, Organic Law 9/2022 amends Organic Law 8/1980 on the financing of Spain's autonomous communities as well as Organic Law 10/1995 as regards the criminal code. Beyond facilitating the fight against fraud and other crimes against the EU's financial interests, this legislative measure transposes Directive (EU) 2019/1153 on the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences, and regulating access to financial information by competent authorities for the purpose of combating serious crime, including fraud against the EU's financial interests.

### 3.26.2.2. Administrative Measure for an Enhanced Information Exchange among Authorities Combating Tax Fraud and with OLAF

Anti-Fraud Measure #2 Taken by Spain in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Administrative	Update	Fraud Prevention	Horizontal	AFCOS; Whistleblowers; Shared management and control of EU funds; Anti-fraud or anti-corruption.	Monitoring/desk checks; On the spot checks; Audit checklist; Investigation; Irregularities reporting.	To enhance existing measure
			Fraud Detection				
			Investigation, Prosecution				
			Recovery and Sanction				

Another measure adopted by Spain in 2022 is administrative. It, more specifically, encompasses an information exchange agreement that aids its parties, the State Tax Administration Agency and the State Administration's General Intervention, in combatting tax fraud and late payments in commercial transactions with public sector entities, as well as fraud in obtaining and receiving aid and subsidies from public and EU funds. From 30 March, 2022, onwards, this update will improve information access by the Spanish AFCOS and their assistance to OLAF.

### 3.26.2.3. Legislative Measure for Spain's Recovery and Resilience Plan

Anti-Fraud Measure #3 Taken by Spain in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Legislative	New	Fraud Prevention Fraud Detection	Sectoral: Recovery and Resilience Facility	Conflict of interest; Shared management and control of EU funds.	Definition of a specific topic	To enforce the rules in line with developments in EU law.

For 2022, the second of two legislative steps reported by Spain lays down rules for the systematic analysis of the conflict of interest risk that arises in the implementation of its Recovery, Transformation, and Resilience Plan from December 23, 2023. Provision 112 of Law 31/2022 governs how this automated analysis is carried out as well as how its results are treated. Having come into effect with Order HFP/55/2023 on January 24, 2023, it will be carried out in the contract awarding procedures and subsidies linked to Spain's Recovery and Resilience Plan before bids and applications are evaluated. Lastly, the order created a dedicated unit in the General Intervention of the State Administration that will advise on the adopted conflict of interest risk analysis. With conflict of interest being the main RRF fraud risk, this ex ante control measure will likely make a valuable contribution toward curbing fraud in this sector.

### 3.27. Sweden

#### 3.27.1. NAFS

Sweden neither pursues nor plans for a national anti-fraud strategy. However, its government adopted and has been following an anti-corruption strategy since 2020.

#### 3.27.2. Measures

Sweden reported three horizontal measures, including a singular organisational measure, and two mixed method packages, which jointly pertain to all stages of the anti-fraud cycle. The organisational measure is preparatory for Sweden joining the EPPO. The organisational and operational packaged update relates to the activities of a body that is solely dedicated to protecting the EU's financial interests. Finally, a legislative update paired with novel administrative action pushed toward less subsidy abuse and lower VAT fraud and evasion rates.

##### 3.27.2.1. Organisational Measure for Accommodating the EPPO in Swedish Legislation

Anti-Fraud Measure #1 Taken by Sweden in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Single	Organisational	New	Investigation and Prosecution	Horizontal	Financial crime; Organised crime.	Competences	Increased resources

In 2022, Sweden initiated a new organisational measure, which would see the Member State join the EPPO. The report on how a European Delegated Prosecutor's rights could be accommodated into the Swedish social security, pension, and insurance schemes was published on 25 October, 2022. It also sketches out legislation that could resolve the identified conflicts. These proposals, the Swedish government currently develops, as it has ranked joining the EPPO as a key step in effectively defending the EU's financial interests.

##### 3.27.2.2. Mixed Package for Comprehensive Anti-Fraud Activities by the SEFI Council

Anti-Fraud Measure #2 Taken by Sweden in 2022								
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result	
Package	Organisational	Update	Fraud Prevention	Horizontal	Conflict of interest; AFCOS; Whistleblowers; Customs/TOR/illicit trade; Shared management and control of EU funds; Anti-fraud or anti-corruption.	Inter-agency cooperation; General trainings; Fraud awareness trainings.	Increased resources	
			Fraud Detection					
	Operational		Investigation, Prosecution			Structured cooperation with law enforcement	Enhanced coordination; Enhanced cooperation; Enhanced information flow.	
			Recovery and Sanction					

Sweden has further flagged its Council for the Protection of the EU's Financial Interests (SEFI) and this body's work, which affects all stages of the anti-fraud cycle and all sectors. The Council, run by the Swedish Economic Crime Agency, coordinates anti-fraud and other EU fund related initiatives, bringing together the agencies that run EU programmes across the country. In 2022, the SEFI Council's organisational activities revolved around its growth, from nine to twenty-one agencies, and managing its consequences, resulting in stronger coordination, cooperation, and information flow. In operational terms, the SEFI Council has focused on preparing and executing assigned to its new members, who have been tasked with implementing the Swedish RRP. Alongside these trainings, the Council also organised seminars on a range of anti-fraud issues to foster awareness and knowledge in the agencies involved.

Lastly, the SEFI Council adopted guidance for handling suspected crime in connection with the management of EU funds. This guidance targets managers and administrators at EU fund managing authorities in the Member State, aiming to support their assessment of whether a certain action in within the application for or payment of funds should be handled as suspected crime.

### 3.27.2.3. Mixed Package for Aligning Swedish Law with the PIF Directive

Anti-Fraud Measure #3 Taken by Sweden in 2022							
Single / Package	Type	New / Update	Stage in Anti-Fraud Cycle	Horizontal / Sectoral	Area	Scope	Reason / Expected Result
Package	Legislative	Update	Fraud Prevention	Horizontal	Financial crime; Organised crime; Anti-fraud or anti-corruption strategy.	Not yet adopted	To clarify or consolidate existing rules
			Fraud Detection				
	Administrative	New	Investigation and Prosecution			Investigation	To clarify or consolidate existing rules; To enhance existing measure; new tools to combat tax fraud and evasion.
			Recovery and Sanction				

Finally, Sweden reported a mixed measure package, consisting of legislative and administrative steps toward less subsidy abuse and lower VAT fraud and evasion rates respectively. In a proposal that has been submitted to the Legislative Council, the Swedish government suggests that the attempt to commit subsidy abuse or gross subsidy abuse should be criminalised. This update is due to enter into force on 1 June, 2023. Administratively, the Swedish government has opened an inquiry into measures that could prevent VAT fraud and evasions as well as actions that would complete the implementation of Article 3(2)(d) of Directive (EU) 2017/1371 (PIF Directive). Ensuring that these actions are treated as criminal offences whenever they are committed intentionally would then enable their proper prosecution and punishment for compromising the EU's financial interests.

## **4. Additional Measures**

### **4.1. Belgium**

#### **4.1.1. Federal Public Service for Strategy Support**

An updated version of the ethics framework for federal civil servants was published on 5 July, 2022, by the Federal Public Service for Strategy and Support. This new framework incorporates the new federal cross cutting values (trust, respect, public interest, professionalism, and social responsibility) and is based on practical examples enabling civil servants to better embrace those values.

#### **4.1.2. Brussels Ombudsman**

On 1 September, 2022, the Brussels Ombudsman took up its duties around complaints from members of the public who encounter problems with the local authorities. Anyone may now submit a written or oral complaint to this office. As an independent public institution, the Brussels mediation service is responsible for upholding citizens' rights and for safeguarding integrity and sound administration.

#### **4.1.3. Wallonia Paying Agency**

Wallonia's Paying Agency has reviewed its management of conflicts of interest. Staff that reports a conflict of interest are required to disclose the identity of the persons concerned by that conflict. The internal-audit department carries out a second-level check on the basis of those disclosures, with a view to assessing the effectiveness of the action taken by the line manager.

#### **4.1.4. ESF Measures**

Belgium additionally reported three ESF focused measures, which differed slightly by region.

In the Brussels Capital Region, fraud prevention and detection have been strengthened after a careful examination of the procedures used in managing these funds. Checks prior to project implementation have been enhanced, project, state aid, and eligible expenditure monitoring have been implemented with the Simplified Costs Options, generic and specific risk analyses revised, and IT tools improved.

In Flanders, the government has introduced a grants register containing a new database.

In the German Speaking Community, the government has devised a handbook on internal audit systems, which is to control risks and safeguard the budget.

### **4.2. Estonia**

#### **4.2.1. Tax and Customs Duties IT System**

For 2022, Estonia reported additional changes through measures in the customs sector. The Estonian Tax and Customs Board accordingly adjusted its customs declarations system, with the aim to make the collection of customs duties more efficient. A retrospective declaration is now also possible, ensuring that declarations would be more accurate in the future.

### **4.3. Germany**

#### **4.3.1. RRP Audit**

Germany reported an additional measure that aimed to protect the EU's financial interests in context of its national RRP. To this end, an RRP Audit Division was set up within the Federal Ministry of Finance, its primary responsibility being to oversee the anti-fraud action within the RRP. An audit strategy has already been developed, based on which both operations and system audits were performed. The strategy also established processes that would define reporting channels for suspected fraud within RRP project in particular. Together with the Coordinating Unit, a project manual was further prepared and circulated to all impending bodies, intending to ensure that these bodies were aware of their obligations and their legal bases. In the future, the audit division will coordinate the

RRP audit country-wide, including the summary of audits declaration prepared for the payment request for the European Commission.

#### **4.3.2. Transnational RRF Projects**

In 2022, Germany joined Operation SENTINEL. The Federal Criminal Police Office (BKA) is available to Europol as a strategic partner in Germany. The focus is placed on transnational projects of the RRF.

#### **4.3.3. Transparency Register**

In 2022, Germany further created the legal basis for access to the transparency registers by way of an amendment to the Anti-Money Laundering Act. It adopted this Sanctions Enforcement Act II on 16 December 2022 Article 4(11)(a) contains a general clause that allows all authorities access to the transparency register, if they require it for their legal mandate. This Act was published in Federal Law Gazette I No 55 of 27 December, 2022.

### **4.4. Hungary**

#### **4.4.1. Various Measures**

Beyond the three measures reported by Hungary above the Member State pointed to a variety of other preventative measures in the fraud and corruption domain for 2022.

These included, but were not limited to, amending the rules on conflicts of interest and the asset declaration system; the use of Arachne; strengthening the professional, operational and financial independence of the Directorate-General for Audit of European Funds (Investigating/Audit Authority) by granting it autonomous status under Act XLIV of 2022; setting up the Directorate of Internal Audit and Integrity, and, in relation to the revenue side of the budget, the introduction and implementation of measures to protect the financial interests of the EU.

### **4.5. Italy**

#### **4.5.1. Cooperation with the EPPO**

For 2022, Italy reported the adoption of Decree No 17/2022, which forms the legal basis for implementing the supplementing agreement between the Italian Ministry of Justice and the European Chief Prosecutor.

#### **4.5.2. CAP Strategic Plans**

Italy additionally highlighted Decree No 660087 by the Minister for Agriculture, Food Sovereignty, and Forestry from 23 December, 2022, which lays translated Regulation (EU) 2021/2115 for direct payments under CAP Strategic Plans in domestic law.

#### **4.5.3. Operations by the Guardia di Finanza**

Finally, Italy pointed to operational anti-fraud measures taken by the Guardia di Finanza, such as the adoption of a specific operational plan to prevent and combat excise fraud, or its participation in the 2022 – 2025 EMPACT – Excise Fraud Policy Cycle.

### **4.6. Latvia**

#### **4.6.1. Public Procurement Measures**

In addition to the measures it reported through the main PIF Questionnaire, Latvia highlighted amendments to its Public Procurement Law and the Law on the Procurements of Public Service Providers, which tighten exclusion and enhance competition.

Accordingly, undertakings that have been found guilty of infringing competition legislation by entering into a horizontal cartel agreement will be excluded from participating in public procurement tenders for a three year period, rather than for just one year.

#### **4.6.2. Fraud Sanctions**

Latvia further reported that of May 2022, the number of criminal proceedings for violating sanctions imposed by the EU had significantly increased. In 2022, 180 materials were received by the Tax and Customs Police Department and 110 criminal proceedings were initiated.

#### **4.6.3. Inter-institutional Cooperation**

Finally, Latvia highlighted the successful cooperation amongst the Competition Council of Latvia, its AFCOS, and the EPPO by providing an example.

On 4 August, 2022, the Competition Council adopted a decision, detecting a prohibited agreement between three companies on the conditions of participation in a private procurement in Latvia, imposing also the fines on the companies for the violation of the competition law.

The prohibited agreement was detected based on the information provided by the AFCOS within the framework of a project organized by the private contracting entity and co-financed by the EU Funds. The Competition Council also cooperated with the EPPO, providing the information obtained during the investigation. The EPPO thus started criminal proceedings as a result of which the final beneficiary made a repayment of the EU co-financing.

### **4.7. Romania**

#### **4.7.1. Management of Seized Assets**

Beyond the three priority measures reported, Romania pointed to Law No 230/2022, which extends the National Agency for the Management of Seized Assets' mandate, enabling it to identify assets in foreign jurisdictions, manage and use seized assets.

#### **4.7.2. Tax Audit Framework**

Romania further highlighted an amendment to the legal framework for tax audits, which intends to make these more efficient and improved the customs authorities' activities (GEO No 85/2022, Government Decision No 237/2022, GEO No 188/2022).

#### **4.7.3. Anti-Money Laundering Competences**

Lastly, Romania reported the National Office for the Prevention and Combating of Money Laundering had been strengthened, through amendments to its supervisory and monitoring functions as well as specification for the declaration of beneficial ownership by autonomous cooperation, national companies, companies, and companies owned by the state (GEO No 53/2022, Government Decision No 1243/2022, GEO No 123/2022).

### **4.8. Slovenia**

#### **4.8.1. PIF Directive Transposition**

Under anti-fraud measures, Slovenia further reported its follow-up on the letter of formal notice which it received on 9 February, 2022, for failing to transpose in full the PIF Directive.



## **4.9. Spain**

### **4.9.1. Agricultural Funds Circular and Trainings**

Spain reported that in 2022, a new circular on fraud and conflict of interest had been drafted, as well as trainings on fraud prevention conducted. The Spanish AFCOS additionally developed more general trainings.

### **4.9.2. AMIF Self-Assessment Tool and Trainings**

In relation to the AMIF, organisational and operational fraud prevention and detection measures have been incorporated in the areas of control of funds, anti-fraud, conflict of interest and double funding. A fraud risk self-assessment has been incorporated in the prevention phase, as a guide and prior to the adoption of an anti-fraud action plan for the AMIF and for the European Social Fund Plus. Training and awareness-raising actions in the fight against fraud have also been carried out. As regards the control of double funding, measures to avoid double funding of recruitment costs of reception centres have been included in the management and control manuals of the AMIF systems.

### **4.9.3. RRF Anti-Fraud Plans**

In 2022, the Ministries, Autonomous Communities and Local Administration, in their capacity as decision-makers, executors and instrumental entities of the Recovery, Transformation and Resilience Plan, drew up Anti-Fraud Plans for the implementation of the funds coming from the aforementioned Plan. These Anti-Fraud Plans include measures at all stages of the anti-fraud cycle, such as risk assessment, the establishment of anti-fraud committees and units, and procedures to prevent and address conflict of interest.

They further elaborated guidelines for the implementation of anti-fraud measures in the RRP, such as the "Guide for the Implementation of Anti-Fraud Measures in the Implementation of the Recovery, Transformation and Resilience Plan" elaborated by the Spanish AFCOS.