

European Anti-Fraud Office (OLAF)

“OLAF” is the French acronym of the *Office Européen de Lutte Anti-Fraude*.

HISTORY OF OLAF

1988 – creation of OLAF’s predecessor, UCLAF (Unité de Coordination de la Lutte Antifraude)

1999 – creation of OLAF, based in Brussels

2013 – OLAF Regulation 883/2013

2018 – proposal for amendment of OLAF Regulation

2021 - revised OLAF Regulation

MISSION OF OLAF

The European Union budget finances a wide range of programmes and projects, which improve the lives of citizens across the EU and beyond. The improper use of funds provided by the EU budget or the evasion of the taxes, duties and levies, which fund the EU budget directly harms European citizens and prejudices the entire European project.

The mission of OLAF is to detect, investigate and work towards stopping fraud affecting the European Union budget.

MANDATE

The mandate of the European Anti-Fraud Office (OLAF) is to:

- conduct independent investigations into fraud and corruption involving EU funds to ensure that EU taxpayers’ money reaches projects that can stimulate the creation of jobs and growth in Europe;
- investigate serious misconduct by EU staff and members of the EU institutions, thus contributing to strengthening citizens’ trust in the EU institutions;
- develop EU policies to counter fraud.

COMPETENCES

OLAF investigates matters relating to fraud, corruption and other illegal activities affecting EU financial interests and concerning:

- all EU expenditure – the main spending categories are European Structural and Investment Funds, agriculture and rural development funds, direct expenditure and external aid;
- some areas of EU revenue, such as money from customs duties or value added tax (VAT).

OLAF also carries out investigations into suspected serious misconduct by EU staff and members of the EU institutions.

OLAF is also in charge of implementing Council Regulation (EC) No 515/97 setting out how national authorities must cooperate with each other and with the European Commission to implement EU customs and agricultural legislation.

OLAF is part of the Commission and, as such, under the responsibility of the Commissioner for Budget and Administration, Johannes Hahn.

However, in carrying out its investigative mandate, OLAF acts in full independence.

WHAT OLAF DOES

OLAF's investigative work broadly involves:

- assessing incoming information of potential investigative interest to determine whether there are sufficient grounds for OLAF to open an investigation;
- conducting administrative anti-fraud investigations, where appropriate in cooperation with national criminal or administrative investigative authorities and with EU and international bodies;
- supporting the anti-fraud investigations of national authorities;
- coordinating the actions of national authorities and sharing knowledge on fraud with its partners in order to prevent losses and protect health and safety;
- recommending actions that should be taken by the relevant EU or national authorities;
- monitoring the actions taken by these authorities, in order to assess the impact of OLAF's work on the fight against fraud and better tailor the support that OLAF provides to national authorities.

The responsibility for much of EU spending is shared between European, national, regional and local levels. Even where EU institutions manage funds directly, the money is often spent across national borders, and sometimes outside the EU. The same applies to the parts of EU revenue that come from customs duties and VAT. The detection, investigation and prosecution of fraud against the EU budget and the recovery of unduly spent amounts or evaded customs duties are therefore conducted in cooperation with a wide range of partners, at national, European and international levels.

THE LIFECYCLE OF AN OLAF INVESTIGATION

OLAF receives information about possible fraud and irregularities from a wide range of sources. In most cases, this information results from controls by those responsible for managing EU funds within the European institutions or in the Member States.

All allegations received by OLAF undergo an initial assessment to determine whether the allegation falls within the remit of the Office and meets the criteria for opening an investigation.

Investigations can involve interviews and inspections of premises and they are classified under one of the following three categories:

1. **Internal investigations:** Internal investigations are administrative investigations within the EU institutions and bodies for the purpose of detecting fraud, corruption, and any other illegal activity affecting the financial interests of the European Union; including serious matters relating to the discharge of professional duties.
2. **External investigations:** External investigations are administrative investigations outside the EU's institutions and bodies for the purpose of detecting fraud or other irregular conduct by natural or legal persons. Cases are classified as external investigations where OLAF provides the majority of the investigative input.
3. **Coordination cases:** OLAF contributes to investigations carried out by national authorities or other EU departments by facilitating the gathering and exchange of information and contacts.

After an investigation is concluded, OLAF recommends action to the EU institutions and national authorities concerned: this usually includes launching criminal investigations, financial recoveries or other disciplinary and administrative measures. It then monitors how these recommendations are implemented.

WEBSITE OLAF: anti-fraud.ec.europa.eu