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From: Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director

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To: Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

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Delegations will find attached document SWD(2025) 196 final.

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**COMMISSION STAFF WORKING DOCUMENT**

**Annual overview with information on the results of the Union anti-fraud programme in  
2024**

*Accompanying the document*

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

**36th Annual Report on the protection of the European Union's financial interests and  
the fight against fraud - 2024**

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## TABLE OF CONTENTS

<b>1</b>	<b>Introduction .....</b>	<b>2</b>
1.1	Context .....	2
1.2	Implementation methodology .....	3
1.3	Purpose and scope of this overview .....	4
<b>2</b>	<b>UAFP budget implementation in 2024.....</b>	<b>4</b>
2.1	Activities to prevent and combat fraud, corruption and any other illegal activities harming the financial interests of the EU.....	6
2.1.1	Grants .....	6
2.1.2	Call for proposals for technical assistance .....	8
2.1.3	Call for proposals for training, conferences, staff exchanges and studies.....	8
2.1.4	Procurement.....	10
<b>3</b>	<b>UAFP (Hercule component) - achievements in 2024.....</b>	<b>13</b>
3.1	Examples of technical assistance projects funded under the Hercule III programme and the UAFP, finalised in 2024 .....	14
3.2	Examples of training projects funded under the Hercule III programme and the UAFP, finalised in 2024 .....	16
<b>4</b>	<b>Irregularity Management System (IMS) – implementation in 2024.....</b>	<b>19</b>
4.1	Main activities .....	19
4.2	What does the AWP involve?.....	21
4.3	Maintenance and development.....	21
<b>5</b>	<b>AFIS – implementation in 2024.....</b>	<b>21</b>
<b>6</b>	<b>Communication.....</b>	<b>21</b>
6.1	Informing potential applicants .....	22
6.2	Dissemination of results.....	22
6.3	Visibility of EU funding .....	22
<b>7</b>	<b>Feedback from programme participants .....</b>	<b>23</b>
<b>8</b>	<b>Ukraine’s association to the programme.....</b>	<b>24</b>
<b>9</b>	<b>Interim evaluation of the programme .....</b>	<b>24</b>
<b>10</b>	<b>Conclusions and way forward.....</b>	<b>25</b>
	<b>Annex 1: Grants and contracts awarded and finalised under the 2024 Financing Decision .....</b>	<b>27</b>

## 1 Introduction

The fight against fraud, corruption or any other irregularities with a detrimental impact on the EU's financial interests is a shared responsibility between all Member States and the EU. It is thus in the interest of the EU, and to the benefit of EU taxpayers more generally, that national and regional authorities are sufficiently equipped to carry out this important mission. This is why the EU has supported national anti-fraud capacities since 2004 with the three successive Hercule programmes, now succeeded by the Union anti-fraud programme (UAFP), established in 2021 and running until 31 December 2027.

### 1.1 Context

The European Parliament and the Council adopted Regulation (EU) 2021/785 setting up the UAFP on 29 April 2021<sup>1</sup>. This legal act became applicable retroactively as of 1 January 2021.

The UAFP combines the financing and implementation of three different, previously separated activities, but at its core, it builds on the success of the previous Hercule III programme. The UAFP provides a single framework, bringing together:

- (i) the 'Hercule' funding part (financial support to technical assistance and training);
- (ii) the Irregularity Management System (IMS, for the reporting of irregularities, including fraud, in cases related to the shared-management funds and the pre-accession-assistance funds, including the Recovery and Resilience Facility<sup>2</sup>); and,
- (iii) the financing of the Anti-Fraud Information System (AFIS, supporting Member States in providing mutual assistance in customs and agricultural matters).

This single framework increases synergies between its strands and enables an efficient allocation of resources. For example, if required, it provides a certain financial flexibility to reallocate funding within the programme's three strands.

An annual Commission implementing decision sets out the financing of the UAFP and the annual work programme (AWP). This single legal act provides for funding for all eligible actions supported by the programme and for the financing of the AFIS and the IMS within one year of implementation.

The UAFP is based on Articles 33 and 325 of the Treaty on the Functioning of the European Union (TFEU). It is set up for a period of 7 years, from 2021 to 2027, in line with the multiannual financial framework (MFF), laid down in Council Regulation (EU, Euratom) 2020/2093<sup>3</sup>.

The UAFP pursues two general objectives. First, it aims to protect the EU's financial interests. Second, it aims to support mutual assistance between the administrative authorities of the Member States and cooperation between these authorities and the Commission to ensure that the law on customs and agricultural matters is correctly applied.

The programme pursues three specific objectives:

1. to prevent and combat fraud, corruption and any other illegal activities affecting the financial interests of the EU;

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<sup>1</sup> OJ L 172, 17.5.2021, p. 110-122, <http://data.europa.eu/eli/reg/2021/785/oj>.

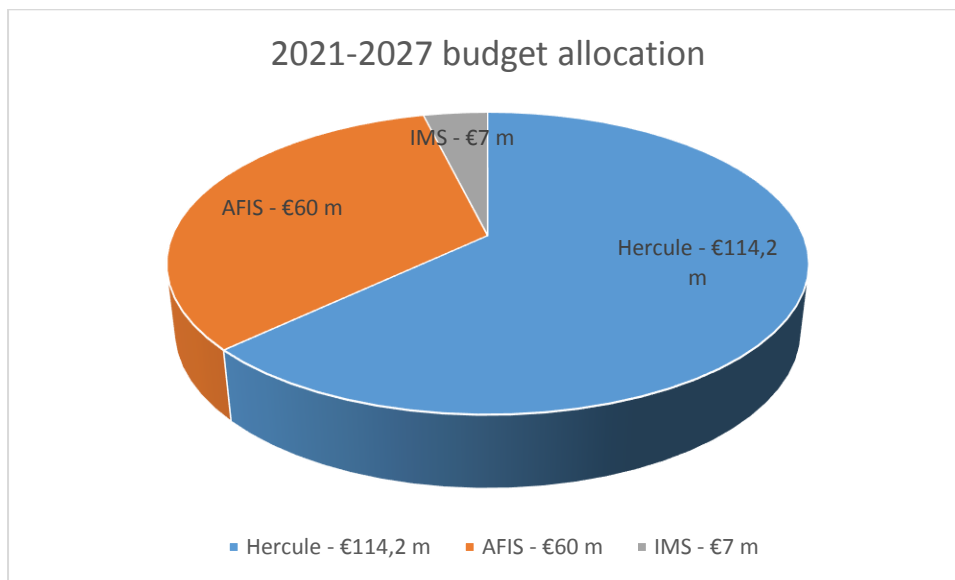
<sup>2</sup> Please see Chapter 4 of the present staff working document for more details

<sup>3</sup> Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027, OJ L 4334331, 22.12.2020, p. 11.

2. to support the reporting of irregularities, including fraud, with regard to the shared management funds and the pre-accession assistance funds of the EU budget; and,
3. to provide tools for information exchange and support for operational activities in the field of mutual administrative assistance in customs and agricultural matters.

To implement the UAFP, the EU has allocated a budget of EUR 181 207 000 in current prices to cover the period from 2021 to 2027, as shown in Graph 1.

**Graph 1 – Budget allocation**



## 1.2 Implementation methodology

The first component of the programme provides the Member States with targeted assistance in achieving their obligations to protect the EU's financial interests. This component will financially support the purchase of specialised anti-fraud equipment and tools, specific training as well as targeted conferences and specialised studies.

The Commission implements this component by:

1. awarding grants following annual calls for proposals;
2. concluding public procurement contracts following calls for tender;
3. entering into administrative agreements with the Commission's Joint Research Centre (JRC);
4. reimbursing costs incurred by representatives from eligible countries who participate in training and operational activities; and,
5. offering targeted financial support to relevant international organisations actively helping to protect the EU's financial interests.

The second component consists of (i) the operation and maintenance of the AFIS platform for the exchange of mutual-assistance information; and (ii) supported activities, such as joint customs operations, practical courses, and preparatory or evaluation meetings for operational actions.

Under the third component, the Commission maintains the IMS and makes it available to Member States and other beneficiaries of EU funds to facilitate their compliance with the obligation (laid

down in various sectorial forms of legislation) to report detected financial irregularities or suspected fraud.

In practice, the programme is implemented under direct management. The European Anti-Fraud Office (OLAF) is the lead service for this programme implementation.

The UAFP Regulation identifies four categories of eligible entities:

1. public authorities that can help achieve an UAFP objective and are established:
  - i) in a Member State or an overseas country or territory associated with the UAFP;
  - ii) in a third country associated with the UAFP under the conditions specified in Article 4 of the UAFP Regulation; or,
  - iii) in a third country not associated with the UAFP under the conditions specified in Article 10(3) of the UAFP Regulation.
2. research and educational institutes and non-profit making entities that can help to achieve the objectives of the UAFP and have been established and operating for at least 1 year:
  - i) in a Member State;
  - ii) in a third country associated with the UAFP under the conditions specified in Article 4 of the UAFP Regulation; or
  - iii) in a third country not associated with the UAFP under the conditions specified in Article 10(3) of the UAFP Regulation.
3. any legal entity created under Union law; or,
4. any international organisation.

### **1.3 Purpose and scope of this overview**

Article 12(3) of Regulation (EU) 2021/785 obliges the Commission to report annually on the performance of the programme to the European Parliament and to the Council as part of its annual report on the protection of the EU's financial interests – fight against fraud. Article 12(3) also stipulates that when discussing the UAFP, the European Parliament may make recommendations for the AWP, and that the Commission must duly take these into account.

To this end, this overview covers: (i) information on actions for which financial commitments were made under the 2024 Financing Decision and AWP<sup>4</sup>, adopted on 5 February 2024; and (ii) the results of actions finalised in 2024, but for which financial commitments were made either under the Hercule III programme still, or under the Union anti-fraud programme in previous years.

The overview also contains information on AFIS and IMS activities for which financial commitments were made under the same 2024 AWP.

## **2 UAFP budget implementation in 2024**

To implement the UAFP in 2024, the budgetary authority had allocated EUR 25.5 million in commitment appropriations and EUR 23.2 million in payment appropriations. The programme is financed under item 03.03 of the EU budget, as shown in Table 1 (split by year).

**Table 1: Financial programming in 2021-2027**

	(in EUR)							Programme total
	2021	2022	2023	2024	2025	2026	2027	
<b>Total</b>	<b>24,055,021</b>	<b>24,371,021</b>	<b>24,852,023</b>	<b>25,508,023</b>	<b>26,353,026</b>	<b>27,404,026</b>	<b>28,678,028</b>	<b>181,221,168</b>

Table 2 shows the commitments made under the available budget for 2024, broken down by the programme's three components.

**Table 2: Available budget and commitments made in 2024**

TYPES OF ELIGIBLE ACTIONS (2024)		BUDGET (EUR)	COMMITTED (EUR)	COMMITTED (%)
<b>COMPONENT 1: PROTECTION OF THE EU'S FINANCIAL INTERESTS</b>				
<b>TECHNICAL ASSISTANCE</b>				
Grants: technical assistance	Grants	10 400 000	10 181 410	97.9
IT databases	Procurement	1 330 000	866 870	65.2 <sup>5</sup>
IT tools and tobacco analysis	Procurement	775 789	770 316	99.3
<b>ANTI-FRAUD TRAINING</b>				
Grants: anti-fraud training	Grants	1 000 000	1 017 028	101.7
Procured conferences	Procurement	1 400 000	1 130 000	80.8 <sup>6</sup>
Digital forensics and analyst training	Procurement	1 000 000	1 050 009	105.0
Contribution for using corporate IT tools		170 000	161 647	95.1
<b>TOTAL COMPONENT 1</b>		<b>16 075 789</b>	<b>15 178 183</b>	<b>94.4</b>
<b>COMPONENT 2: AFIS PLATFORM</b>				
IT studies, development and maintenance	Procurement	4 023 000	3 778 906.97	93.93
Production services	Procurement	2 500 000	2 454 009.32	98.16
Technical assistance, training, coordination and quality-control services	Procurement	660 000	610 051.61	92.43
Acquisition, maintenance and updating of software and hardware, and related IT services	Procurement	1 027 242	1 277 765.64	124.39
Funds co-delegated to the Directorate-General for Taxation and Customs Union (DG TAXUD)	Procurement	234 849	234 848.69	100
<b>TOTAL COMPONENT 2</b>		<b>8 445 091</b>	<b>8 355 582.23</b>	<b>98.94</b>
<b>COMPONENT 3: IMS TOOL</b>				
Development and maintenance	Procurement	509 119	508 848,83	99.95
Production services	Procurement	476 000	475 967,13	99.99
<b>TOTAL COMPONENT 3</b>		<b>985 119</b>	<b>984 815,96</b>	<b>99.97</b>

<sup>5</sup> Cost savings were made following the tender procedure. The remaining amounts will be allocated to the grants put on the reserve lists of eligible projects for granting.

<sup>6</sup> Cost savings were made in some of the OLAF procured events.

<b>GRAND TOTAL</b>	<b>25 505 999</b>	<b>24 518 581.19</b>	<b>96.13</b>
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## 2.1 Activities to prevent and combat fraud, corruption and any other illegal activities harming the financial interests of the EU

In 2024, the UAFP’s fourth year of implementation, the available commitment appropriations for the programme’s first strand (formerly ‘Hercule’ actions) were used to: (i) finance granted projects; and (ii) conclude specific contracts (procurement) and administrative arrangements for providing access to commercial databases, specialised IT tools and specific training and conference events, in line with the activities included in the adopted AWP for 2024<sup>7</sup>.

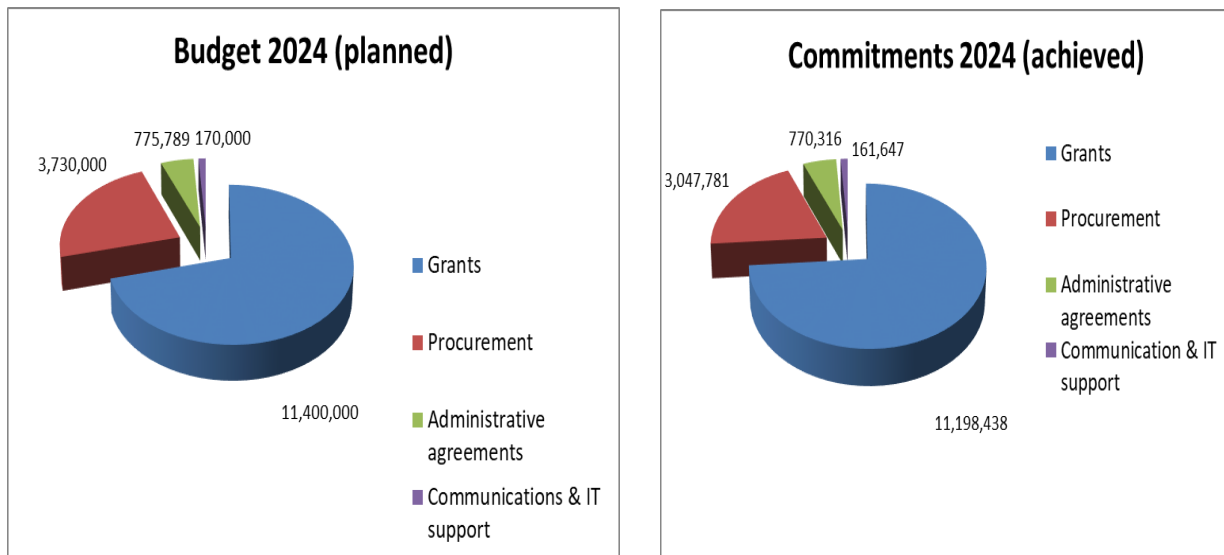
The commitment amounts earmarked for the 2024 granting cycle (approx. EUR 10.4 million) were implemented by signing contracts for the awarded grant files and paying pre-financing.

Following a successful publication and evaluation of the 2024 technical assistance call for proposals, amounts not spent under procured databases and procured conferences have been transferred to this specific call, where a large reserve list had been established.

Payments under the grant agreements and under some of the procurement contracts signed in 2024 will be reported at a later stage than the present report, since these payments will only be made in the course of 2025 and in the following years.

Graph 2 provides a breakdown of the planned budget and commitments for 2024 by type of action. Technical assistance actions under Regulation (EU) 2021/785 encompass: (i) technical assistance for grant activities; and (ii) IT support (databases and IT tools). Training actions include: (i) grant activities under calls for proposals for training, conferences, staff exchanges and studies; and (ii) procured conferences and specialised training.

**Graph 2: UAFP (Hercule component) budget and commitments in 2024 of eligible actions**



### 2.1.1 Grants

Grants are direct financial contributions to co-finance an action intended to help achieve an EU policy objective. The overall UAFP budget allocated to grants in 2024 was EUR 11.4 million. Following calls for proposals inviting applicants to submit proposals for actions that help achieve the programme’s objectives, grants are being evaluated, scored, ranked and awarded. The

<sup>7</sup> Commission Implementing Decision, C(2024) 645 of 5.02.2023.

beneficiary of a grant becomes the legal and economic owner of the goods or services purchased with grant financing.

In February 2024, the Commission published two calls for proposals on its ‘Funding and Tenders Portal’ online.

The two calls covered the following topics:

1. technical assistance, with an indicative budget of EUR 10.4 million; and
2. training, conferences, staff exchanges and studies, with an indicative budget of EUR 1 million.

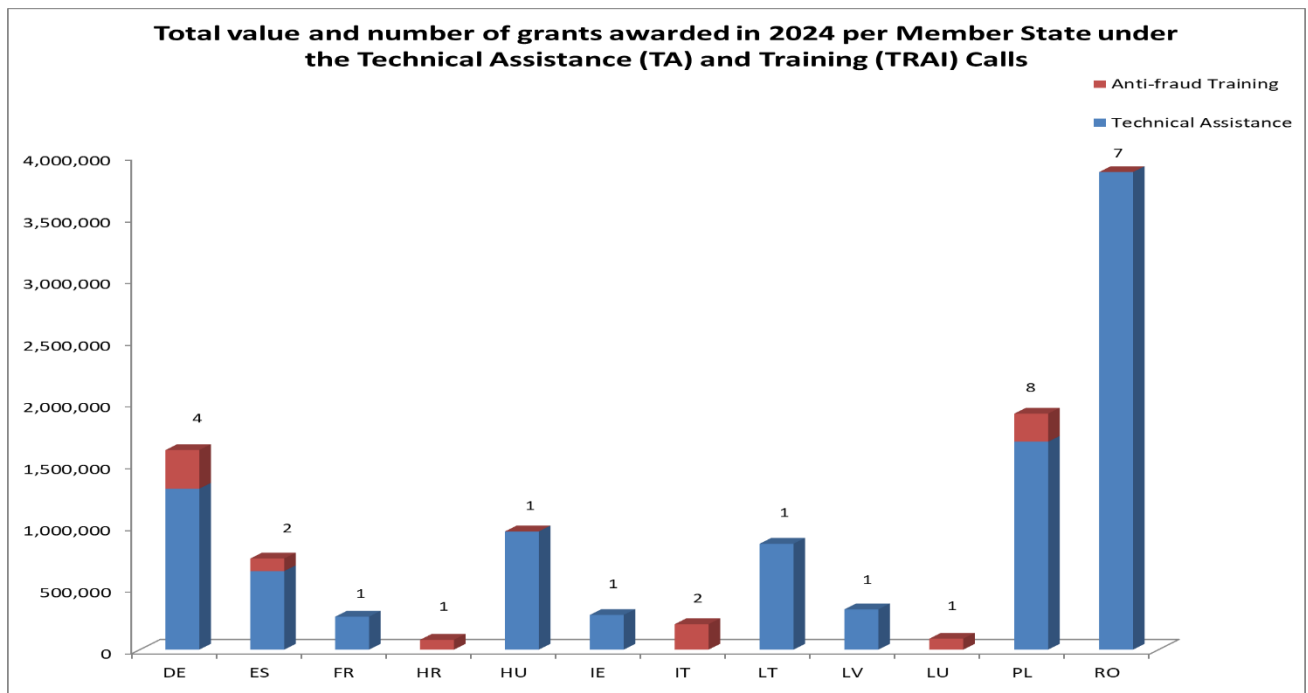
The deadline to submit applications was 7 May 2024 for both technical assistance (TA) and training related proposals (TRAI). The Commission received a total of 123 applications originating from 19 Member States. First, each application was assessed on its eligibility or on a possible exclusion. Then, a dedicated evaluation committee with Commission expert staff members assessed the content of each of the eligible applications. The committee evaluated and scored the following four award criteria:

1. conformity with the objectives of the UAFP;
2. quality of the proposal;
3. value for money; and
4. added value for the protection of the EU’s financial interests.

All the applicants were informed of its final outcome by the end of December 2024.

Graph 3 gives an overview of the total value and number of grants for technical assistance and training awarded in 2024, by Member State. Grants were awarded in 12 Member States.

**Graph 3: UAFP (Hercule component) commitments (in EUR) and number of grants in 2024 by Member State and by activity sector**



### *2.1.2 Call for proposals for technical assistance*

The 2024 budget for technical assistance grants was EUR 10.4 million. It was available to fund actions proposed by national and regional authorities for the following types of activities:

1. purchasing and maintaining investigation and surveillance tools and methods used in the fight against irregularities, fraud and corruption detrimental to the financial interests of the EU, including specialised training needed to operate the investigation tools purchased;
2. purchasing digital-forensics hardware including equipment and software, mobile forensic tools and computer forensic collaborative systems used in the fight against (fraudulent) irregularities, fraud and corruption detrimental to the EU's financial interests;
3. purchasing data-analytics technologies and data including the acquisition and maintenance of: (i) commercial specialised databases; (ii) data-analysis platforms capable of running analyses in big-data environments, risk and predictive analyses, and data-mining tools; and (iii) systems supported by artificial intelligence used in the fight against irregularities, fraudulent activities and corruption detrimental to the EU's financial interests; and
4. purchasing equipment for the detection of illicit trade<sup>8</sup> to strengthen beneficiaries' operational and technical capacity to detect smuggled and counterfeited goods, including cigarettes and tobacco, imported into the EU with the intention of evading value added tax, customs duties and/or excise taxes.

By the deadline of 7 May 2024, the Commission received 88 applications from 16 Member States for actions in the field of technical assistance. The total (cost) of the proposed actions was EUR 48.1 million and the requested co-funding amounted to EUR 38.3 million (which oversubscribes three times the available budget of EUR 10.4 million). Following the evaluation committee's recommendations, limited by the budget available to the programme, the authorising officer decided to award 21 grants and to place 11 proposals on a reserve list. See Table 1 in Annex I, providing an overview of the beneficiaries, project titles, grant amounts, and the co-financing rate.

The overall amount of funding awarded to technical assistance grants under the 2024 budget was EUR 9.9 million for 21 projects from 8 Member States. In addition to the 21 proposals initially awarded, the authorising officer decided to award one more grant from the reserve list, using unused funds initially earmarked for procured activities. Grants were awarded for the purchase of investigation equipment (including forensic equipment), data-analysis systems, IT tools and detection equipment. The UAFP grants financed 80% of the eligible costs of the selected actions.

To best describe the implementation of technical assistance grants in 2024, a selection of examples of finalised projects is presented in Chapter 3.

### *2.1.3 Call for proposals for training, conferences, staff exchanges and studies*

The UAFP provides grants to beneficiaries for organising targeted specialised trainings, conferences and staff exchanges, as well as for carrying out legal studies. These activities aim to

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<sup>8</sup> OLAF, in close cooperation with DG TAXUD, ensured that there was no overlap with projects submitted for support under the Customs Control Equipment Instrument (CCEI).

strengthen cross-border cooperation and networking activities between experts and to facilitate the exchange of best practices on protecting the financial interests of the EU.

The following four types of activities were proposed for funding, with an indicative budget of EUR 1 million:

1. specialised training sessions to improve knowledge and use of IT tools, and to increase anti-fraud data-analysis abilities by acquiring new skills and knowledge of specialised methodologies and techniques;
2. conferences, workshops and seminars to: (i) facilitate the exchange of information, experience and best practices, including in the field of IT anti-fraud and anti-corruption systems and data analysis; (ii) create networks and improve coordination between Member States, candidate countries, other third countries, EU institutions and international organisations; (iii) facilitate multidisciplinary cooperation and awareness-raising between anti-fraud and anti-corruption practitioners (in particular customs authorities and other law-enforcement bodies) and academics on protecting the EU's financial interests, including support to associations for European criminal law and for the protection of the EU's financial interests; and (iv) raise the awareness of the judiciary and other legal professionals of this matter;
3. staff exchanges between national and regional administrations (including from candidate and neighbouring countries) to help further develop, improve and update staff's competences in protecting the EU's financial interests; and
4. developing comparative law studies to enhance the legal and judicial protection of the EU's financial interests, including the dissemination of relevant scientific knowledge through periodical publications.

The call for training related proposals received 34 applications from 13 Member States. The total amount of requested grants would require a budget of EUR 4 million (or four times the available budget).

Eight applications were selected for an award under this call, for an overall amount of approximately EUR 1 million within the available budget. Six applications were put on a reserve list, which were not awarded due to insufficient additional funding available. All applications received a co-financing rate of 80% of the eligible costs.

Grants were awarded for, amongst others: (i) organising training and conferences for strengthening the capacities of the police authorities in the use of special investigation techniques to combat fraud, corruption and tobacco smuggling affecting the EU budget, and of national and regional authorities) through the use of IT tools and risk management for the prevention and detection of fraud in the EU funds management; (ii) the organisation of a conference of the associations for European criminal law and for the protection of the EU financial interests; (iii) a comparative law study on fraud prevention, anti-corruption and anti-money laundering measures, and corporate crime; and (iv) publishing a periodical on the protection of the EU's financial interests.

Table 4 in Annex I gives an overview of the awarded grants and the corresponding co-financing rates.

#### 2.1.4 Procurement

About 28% of the 2024 budget allocated to the first component of the UAFP (or about EUR 4.51 million) was allocated to fund activities by concluding procurement contracts linked to the protection of the EU's financial interests.

In 2024, the Commission concluded specific contracts under existing framework contracts for technical assistance support and training activities. The purchased equipment, tools and services were made available to UAFP beneficiaries (mainly Member State authorities).

##### **2.1.4.1 IT support: databases, IT tools and analyses of samples from tobacco seizures**

###### **2.1.4.1.1 Databases**

In 2024, the overall amount committed to procured contracts was EUR 1 068 495. The programme provides funds for the procurement of subscriptions to commercial databases, on behalf of law enforcement authorities in Member States, to support operations and investigations, in particular in the area of protecting the EU's financial interests.

The Commission procures and manages the access to these databases enabling substantial economies of scale and a common data framework. Relevant staff are trained to ensure optimal usage. OLAF staff also uses these databases for operational activities jointly undertaken with their Member State partners and for their own investigations<sup>9</sup>.

In 2024, the programme provided Member States with access to commercial databases, such as worldwide trade statistics, detailed company information and global vessel movements. The databases were highly used by customs and other law-enforcement authorities, supporting both investigations and risk analyses. Table 3 in Annex I gives an overview of the contracts awarded in 2024.

###### **2.1.4.1.2 Development of specific IT tools for data analysis with the JRC**

In 2024, OLAF and the JRC continued working together under the administrative agreement (AA) for Customs Anti-Fraud Enabling technologies (CAFET2)<sup>10</sup>.

CAFET2 is part of a wider effort to provide knowledge to and facilitate the work of Member States' customs services to use data and analytical approaches effectively and efficiently in their anti-fraud activities. In line with the objectives of the UAFP, the ultimate beneficiaries of this project are customs authorities in the Member States. In 2024, the UAFP allocated EUR 498 745 under the CAFET2 umbrella.

The CAFET project consists of 3 work packages:

- Work package 1: Automated Monitoring Tool (AMT)

The AMT is an IT-application that includes a series of algorithms for the retrieval and processing of data needed for the visualisation of indicators based on external trade data published by Eurostat, the statistical office of the EU. The indicators are time-series showing kilo-prices, and

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<sup>9</sup> The use of databases made by OLAF staff is paid from the administrative budget of the Commission.

<sup>10</sup> Originally funded by the Hercule III programme, the initial agreement was signed at the end of 2017 between OLAF and the JRC to provide 'scientific and technical support in advancing the EU's customs anti-fraud data-analytics capacity'. The current agreement ran from 2021 to 2023, which has been extended and consists of five work packages.

price ranges, of imports into the EU, broken down by reference period (calendar month), Commodity Code (Product), exporting third country of origin (Origin) and Importing Member State (Destination).

The AMT tool allows customs administrations to compare the amount declared on a new import declaration to identical imports made during a period of up to four years preceding the new import, and to detect any signal, which could necessitate further examination of the declaration to rule out irregularities or suspicions of fraud, such as undervaluation of the product concerned. The AMT provides important information to OLAF for the assessment of evidence during investigations and to customs administrations and OLAF during Joint Customs Operations (JCOs).

In 2024, the JRC, among others, supported the AFIS team at OLAF with regular monthly data processing and generation; as well as publication in the AFIS environment of AMT indicators. The JRC also analysed the option to replace COMEXT data as the primary source for AMT indicators with the ‘Surveillance’ database and also analysed the feasibility and requirements for this potential substitution.

- Work package 2: Container-movement analytics (CSM/COS)

This WP aims at exploiting information on container movements for customs anti-fraud purposes. One example is detecting mis-description of origin of goods imported into the EU, piloted under the previous AA and implemented in AFIS as Container Origin Signals (COS). The main data sources are the Container Status Messages (CSM) data, on the one hand, and data from Single Administrative Documents (SAD), used by economic operators when submitting an import declaration, on the other hand. The CSM data relate to the location and status of containers transported by maritime vessels to and from the EU.

The transmission of CSM data is required under the amended Council Regulation 515/97 for shipping companies transporting containers on their vessels. This WP builds on the results achieved under the previous CAFET project (2021-2023), as well as on the valuable feedback supplied by the users in the Member States who provided suggestions and ideas for new queries of the linked databases.

During the year 2024, the project provided the services needed to ensure the regular data acquisition, analysis and provision of results to end users. The services included the maintenance of the IT infrastructure (Oracle database, website and servers for the data processing), the AFIS-CSM data collection and management, and the data cleaning and information extraction processes.

A new Oracle database server (using Oracle version 19c) has been operational since September 2024. The new database ensured better performance of the ‘ConTraffic’ website and faster data processes which have been running without any major disruption or security incident in 2024.

Among others, the JRC also looked into the issue of providing an updated (from 2012) list of data sources on container carriers for the customs officials.

The exercise conducted in this work package led to the list of 55 carriers who publish their web tracking service within their own portal, as of May 2024. A second list of websites shows main

third-party companies that offer tracking services for multiple carriers and finally they list the web providers that offer vessel and ship tracking services in web ‘GIS-mode’.

- Work package 3: Support to Intelligence Analysis (SIA)

OLAF draws on a wide range of data sources for carrying out operational data analyses in support of its investigations and Joint Customs Operations (JCO), which OLAF carries out with different groups of Member States and also, less often, third countries. The number, size, structure and coverage of data sources has increased exponentially in recent years: data on, for example, e-commerce transactions or the spatial distribution of tobacco product flows, have become available for further analyses. The work in this WP is focused on the study and evaluation of methods which use Artificial Intelligence (AI) technologies, and in particular Large Language Models (LLM), to support the analyses of customs data.

The JRC is tasked with the study and prototyping of a methodology that supports the development of AI-assisted ‘Shiny apps’ which analyse customs trade data. The work is at the exploratory research level currently, evaluating the feasibility and usefulness of this approach.

- Outreach

As in previous years, progress updates on CAFET2 were provided at the regular meetings of the Expert Group on Mutual Assistance in Customs Matters (EMAC).

#### **2.1.4.1.3** Tobacco analyses (TOBLAB)

In order to help Member States in their efforts to combat the illicit trade in tobacco products, OLAF takes the view that Member States’ authorities should have access to independent state-of-the-art specialised testing facilities of tobacco products for investigative purposes.

For that purpose, the JRC centre located in Geel (Belgium) set up in 2016 a laboratory for the analysis of tobacco products, TOBLAB, financed already through the previous Hercule III programme.

A close cooperation between TOBLAB and Member States’ customs laboratories and law enforcement authorities is considered as leading to the most efficient and cost-effective use of the testing facilities needed.

Member States and OLAF can submit requests for analysis of tobacco products using a dedicated IT application (ToSMA) administered by OLAF on the Anti-Fraud Information System (AFIS) platform. In the contracting period from 20 July 2023 to 19 July 2024, the JRC received 143 requests from 15 Member States for analysis of seized cigarettes and raw/fine-cut tobacco samples, of which 122 were processed during the contracting period. It was possible to draw connections between cigarettes seized in various places in the EU at various moments (65 samples could be connected to previous seizures).

The JRC maintains a repository of commercially available cigarettes purchased at licensed tobacconists across the world. The repository now contains 1211 tobacco products from 77 countries.

The annual Administrative Agreement (AA) with the JRC in Geel was continued in 2024 with programme funding for a second year of this AA, amounting to EUR 260 531.

#### **2.1.4.2 Procured conferences**

The programme also finances high-level conferences and training activities focused on the protection of the EU's financial interests, organised by the Commission (OLAF). Six high-level events took place, financed by the 2024 programme budget. The overall budget available for procured conferences was EUR 1.4 million for 2024.

Table 5 in Annex I provides an overview of the events that took place under the 2024 budget.

#### **2.1.4.3 Procured digital forensic analysis and analysts training**

The digital forensic analysis and analysts training (DFAT), organised by OLAF, aims to strengthen law-enforcement agencies' ability to combat fraud, including cigarette smuggling and counterfeiting. It provides improved detection skills to extract and use data from digital devices.

This annual training helps create a network of certified digital-forensics specialists in all the Member States and candidate countries, starting back in 2007.

Investigations related to EU funds have become more complex, with increasingly more data that need to be processed. This has led to a growing need to continuously train forensic and digital analysts. To address this need, courses for analysts were added to the original digital-forensics training since 2018. The aim is to improve digital forensics investigations by ensuring that data are processed in a way that strengthens the quality, accuracy and efficiency of investigations related to EU funds.

Financed by the 2024 budget, one physical training session was organised in 2024 with 120 participants originating from Member States and candidate countries. The various subjects proposed covered the most requested by Member State authorities, such as advanced 'Windows' forensics, open-source intelligence (OSINT), operational analysis, etc. The 2024 budget of EUR 0.8 million has been committed for this activity under the 2024 programme budget.

From the same budget, a virtual DFAT session is planned to take place in June 2025, with 60 participants from all Member States' national authorities. The trainees will receive up-to-date specialised courses in advanced forensics and operational analysis.

### **3 UAFP (Hercule component) - achievements in 2024**

This section provides an overview of the main results achieved by beneficiaries implementing granted projects awarded under the programme in previous years, and of the outcomes of the procured projects also financed by the UAFP and those finalised in 2024.

Beneficiaries report on the outcomes of grant projects in the final technical report they submit with their final payment requests. Final technical reports also describe issues encountered during the implementation of the action, such as (unexpected) delays or staff changes. The reports set out how these issues were resolved and list possible impacts on the outcome of a project.

Beneficiaries of technical assistance grants are requested to submit a final implementation questionnaire one year after the grant contract's closing date. This questionnaire contains information on the results achieved by using the equipment and the beneficiary's assessment of the equipment's contribution to achieving the programme's objectives.

The reported implementation results illustrate how the purchased technical equipment, such as detection tools, enabled the beneficiaries to seize substantial amounts of smuggled cigarettes, counterfeit goods and tobacco or other products. National authorities reported that equipment to support investigations, such as communication equipment, cameras, IT tools and forensic soft- and hardware, strongly facilitated the lawful and efficient gathering of evidence during operations, supporting as such effectively investigations aimed at protecting the EU's revenues, expenditures and assets.

Beneficiaries of grants for training activities (conferences, seminars and training sessions) also carried out participant surveys to measure the relevance, quality and overall user satisfaction of the event. The findings of these surveys are included in the final technical report submitted at the end of the action.

Training activities finalised in 2024 concerned a wide range of areas and topics, such as: (i) training for enhancing the capacities of police and customs authorities in investigations of fraud against the EU budget, in particular in the use of EU funds, fighting cigarette smuggling, the cooperation between the national authorities and the EPPO; (ii) training for public administration in preventing and combatting corruption in public procurement with EU funds; and (iii) implementing the Whistleblowing Directive to combat fraud and corruption for protecting the financial interests of the EU.

Most of the training projects were targeted at representatives of public administration departments responsible for managing EU funds and law enforcement agencies (police, customs, anti-corruption bodies).

### **3.1 Examples of technical assistance projects funded under the Hercule III programme and the UAFP, finalised in 2024**

Below are examples of awarded grants for technical assistance, finalised in 2024, together with examples of implementation results submitted in 2024.

- The **Ministry of Finance, Customs Administration of the Republic of Croatia** received a grant for the purchase of inspection equipment and tools. These were distributed to all 41 border crossing points, which include all the external EU border crossing points. The equipment acquired has substantially facilitated the daily work of the customs officers. Significant results have been reported following the first year of use. These include the confiscation of 724 920 pieces of cigarettes, 2 275 kg of tobacco, 4 998 kg of 'hookah' tobacco, 1 680 kg of tobacco molasses. In addition, it also led to the detection and seizure of other illicit/dangerous substances including 6 319 kg of heroin, 5 589 kg of cocaine, 128 660 tablets with psychotropic substances, 440 000 cannabis seeds, and EUR 198 460 of undeclared cash.
- The **Central Anticorruption Bureau (CBA) of Poland** received a grant for the modernisation of its Digital Forensic Network (DFN) and the enhancement of its forensic and analytical capability, by providing high-speed access to digital evidence. The ability to process and analyse digital evidence with greater speed and accuracy directly impacts the

effectiveness of criminal investigations and the subsequent legal processes. Moreover, the infrastructure lays the groundwork for the integration of sophisticated analytical tools and artificial intelligence (AI) systems, which can leverage the computational power, further enhancing the quality and speed of evidence analysis. 60 members of staff were trained and certified.

- The **Corruption Prevention and Combating Bureau (KNAB) of the Republic of Latvia** completed a project for the acquisition of digital forensic software and hardware equipment to use mainly in the field of corruption prevention. The equipment has greatly contributed to KNAB's criminal intelligence and investigative capacity by significantly improving its processing capacity, leading to a doubling of the number of processed devices in one year. It has been used in several criminal procedures linked to reported damages to European Union funds of more than EUR 3.3 million after one year of use.
- The **Financial Crime Investigation Service at the Ministry of Internal Affairs of Lithuania** received a grant for the purchase of special investigative tools to retrieve, decrypt and analyse digital evidence used by FCIS criminal intelligence and investigative staff. The project has improved the intelligence and operational capacity of FCIS by providing technical support to FCIS regional units. Enhanced digital data collection and analytical capabilities have strengthened the skills and analytical competences of FCIS intelligence staff, and has expanded data sharing with international information systems in order to facilitate the fight against financial crime at national and Union level. More than 60 staff members were trained.
- The **Customs Administration of the Czech Republic** completed a project to acquire highly sophisticated technical surveillance devices adapted to new forms of crime. The new technology acquired through the project increased the effectiveness and the expertise of the Special Activities Units of the Customs Administration in the fight against illegal activities that threaten the security and financial interest of the EU. The project also included the specialised training of 56 officers.
- The **Ministry of Economy and Finance of Italy** purchased an Unmanned Aerial System (U.A.S.). The 'mini' class fixed-wing Remotely Piloted Aircraft System (RPAS) will provide for preliminary inspections of sites with real-time delivery of images to one or more remote sites; monitoring and video recording of operations conducted on the ground with the production of high-resolution images for analysis activities and for supporting evidence. They provide valuable technical support for investigative activities carried out by the Guardia di Finanza, through aerial surveillance (land and sea) in order to counteract smuggling and counterfeiting of foreign processed tobacco, as well as other activities harmful to the European Union interests. This project involved the training of 20 personnel. Results reported to date include eight cannabis plantations.
- The **General Inspectorate of Romanian Police** received a grant for the purchase of specialized equipment in order to strengthen the operational and technical capacity of the Directorate for Investigating Economic Crimes, which manages complex fraud cases with the aim of dismantling criminal groups operating mainly at the European Union's external border, in geographically inaccessible places, on transit routes meant to evade the control at the state

border crossing and the taxation of the excisable products transited. With the support of the specialized equipment procured within the project ten operational activities aimed at combating cigarette smuggling and counterfeiting of tobacco products were organized during the duration of the project.

### **3.2 Examples of training projects funded under the Hercule III programme and the UAFP, finalised in 2024**

An overview of the training events finalised in 2024 (for which grants had been awarded under the Hercule III programme and under the UAFP) is given in Annex I, Tables 6 (Training, conferences and staff exchange) and 7 (Legal training and studies).

#### **Examples of projects for training and conferences that ended and were reported on in 2024:**

The **Regional Police Headquarters in Lublin, Poland**, organised the seminar within the project ‘Combating irregularities in the allocation and use of the EU’s funds – crime schemes, mechanisms and investigation strategies’ for police, customs and other law enforcement agencies from Poland, Romania and Bulgaria to join efforts in combatting crimes committed with the usage of EU funds.

The seminar on 5th-9th of December 2022 was attended by 39 police and customs officers and experts of institutions responsible for the management and control of the EU funds from the three countries.

The project has contributed to:

- facilitate the exchange of experience and best practices by acquiring knowledge on the procedures concerning granting the subjects with the EU funds and getting acquaintance with the actions that can be taken by the law enforcement agencies to ensure compliance with legal regulations, and detect irregularities and fraud;
- enhancing transnational cooperation, creating networks and improving coordination between law enforcement agencies and institutions controlling or managing the EU funds;
- raising the awareness of the authorities combatting EU funds crimes and other legal professionals about the scale of this crime and the need to fight it;
- strengthening the operational and investigative capacity of staff involved in fighting crimes against EU funds and thus improving the protection of the EU’s financial interests.

A best practice guide including examples of case studies was produced and made available to the participating institutions and other relevant organisations.

The **European Institute in Romania (EIR)** conducted the training project AFTIPA ‘Anti-Fraud Training Initiative for Public Administration’. The project aimed to deliver anti-fraud training to professionals who work in public procurement departments, in the control bodies

of ministries and other state institutions and other categories of public administration personnel at central and local level that are involved in managing EU funds.

The objectives were to develop a multidisciplinary package of three courses (Preventing and combating corruption, Public procurement and Whistleblowing in public administration) that were delivered in two formats:

- 1) Classroom training courses for the central administration, held in Bucharest, from September 2023 until May 2024, gathering 145 participants.
- 2) E-learning courses for the local administration, offering access on an e-learning platform (www.aftipa.ro ) where over 1 500 users completed the three courses.

Due to intensive communication, the project's impact widened to a trans-national level, with over 280 employees from the Republic of Moldova public administration having registered on the platform.

The project developed a set of interlinked courses using an integrated approach to help participants understand the legal framework in which EU funds can be used while contracting different services; understand the difference and correlations between errors, irregularities, corruption and fraud; and design measures and procedures for institutions to prevent unethical or illegal behaviour, especially potential fraud and unfair practices in the use of EU funds.

The impact on the short term is that the project offered the participants:

- skills to apply the legislation to the use of EU funds in public procurement;
- a correct understanding of concepts and technical language on public sector integrity, with a focus on preventing integrity incidents;
- skills to advise the management of the institution in order to solve concrete cases, including on the correction and prevention side.

On the medium term, it offered concrete ways to facilitate knowledge and skill dissemination within institutions and the introduction, creation and/or improvement of institutional working procedures.

On the long term, it offered knowledge and abilities to reduce the risk of conflict of interest, avoiding or manipulating public procurement procedures, bribery, expenditure fraud and other crimes and corruption. It also helps to increase the effectiveness of controls, encourage the signalling of irregularities and improve the protection of whistleblowers.

Examples of projects for **legal training and studies** that ended and were reported on in 2024:

The programme continued to fund the journal **EUCRIM – European Law Forum: Prevention-Investigation-Prosecution** published by the Max Planck Institute for the Study of Crime, Security and Law in Germany during 2023 and 2024. The changed subtitle emphasises that the realm of the journal – the protection of the EU's financial interests – is at the interface between administrative law and criminal law and that it focuses on both preventive and repressive measures while continuing support of the European criminal law associations and their network.

The journal raises awareness among legal practitioners and other stakeholders throughout Europe about relevant legislation and policies in the area of the protection of the EU's financial interests and European "criminal" law. The periodical promotes a deeper understanding of long-term developments in this field by means of its news and article sections. Each issue focuses on a specific topic related to the protection of the EU's financial interests.

The eucrim journal is primarily published as an online journal (<https://eucrim.eu/>) in four issues per year and can be downloaded free of charge. It features joint contributions from academics, practitioners and representatives of several associated branches of the legal profession fostering the exchange of information and knowledge.

Research activities and statements on highly relevant topics were presented, including: the access of public authorities to electronic evidence; the impact of artificial intelligence on the detection of illicit money flows, fraud and other crimes; the potential effects of the planned new legal framework on corruption; the latest EU initiatives to effectively protect the EU budget, including mechanisms to defend EU values that affect the EU's financial interests; and the increasing role and new competences of OLAF in the protection of the environment. In addition, a special issue was dedicated to the European Public Prosecutor's Office, reflecting on its potentials and challenges after its first three years of operation. Another special issue commemorated OLAF's 25th anniversary.

In 2023-2024, eucrim's news section mainly addressed new technological developments, e.g., new legislation on artificial intelligence and the digitalisation of justice as well as new cooperation instruments, including relevant case law handed down by the European Court of Justice. Another focus was on the work and activities of EU institutions, including OLAF, the EPPO, and the ECA.

The **University of Giessen in Germany** conducted the legal research project on the EPPO/OLAF Comparative Procedural Compendium containing the Member States and Union law's provisions on investigations by the EPPO and OLAF.

The project aimed to provide a Comparative Procedural Compendium on the national law of the Member States with regard to EPPO and OLAF investigations. The result of the project is a comprehensive compendium of the anti-fraud legal provisions with commentaries, which analysed and explained the legal situation for every available investigative measure either on the basis of Union law or on the basis of national law for each of the 27 Member States.

This comprehensive compendium will improve and facilitate investigations into fraud against the budget of the EU considerably, by clearly identifying the right national or supranational standard for all investigation measures, with a strong emphasis on digital evidence, including bank account information. The project relied on detailed information on the national legal situation of every Member State by gathering in-depth knowledge from long-term research, which included an extensive network of experts.

The research team compiled 27 volumes on the national legal situation for the EPPO and OLAF investigations (one volume for each Member State). This comprehensive presentation

will provide practitioners and academics with equally comprehensive information on the national law governing investigative measures in this area.

Ten volumes have been published (Cyprus, Bulgaria, Portugal, France, Slovenia, Malta, Belgium, Croatia, Poland and Finland) and the remaining volumes will follow by 2026. The volumes can be viewed and obtained in freely accessible open access version and in printed version through the publisher's website:

<https://www.logos-verlag.de/cgi-bin/engbuchmid?isbn=5743&lng=deu&id=>

The **University of Burgos in Spain** conducted the EUMODNEXT project ‘Innovative tools and approaches for improving the prevention of fraud in the context of the NextGenerationEU Funds’. The project aimed, by comparing different anti-fraud measures adopted by each EU Member State, to propose standard criteria for granting of NextGenerationEU funds ([www.ubu.es/eumodnext](http://www.ubu.es/eumodnext)).

A comparative research handbook was developed, offering an in-depth analysis of the anti-fraud regulations existing in each Member State to apply the NextGenerationEU Funds. A policy recommendations set was developed, proposing anti-fraud regulations tailored to the specific contexts of each EU country, aimed to improve the allocation of funds and prevent misuse and fraud.

An interactive website was created, as a tool to prevent fraud, with public information about the use of NextGenerationEU Funds in public procurement and the possible controversies in mass media (‘Euro Funds Public View’ <https://eurofundspublicview.com/>). This tool enables users to explore how the use of European funds is perceived through the news by examining media coverage across all the EU countries.

The final conference brought together more than 200 participants from 11 EU countries and provided a forum for knowledge exchange and networking between practitioners and academics.

The results of the project have impact in the short term: the comparative study on the national contexts increases the knowledge on the prevention of fraud and corruption in EU funds; raising awareness of the policy makers, researchers and practitioners on the importance of the prevention and detection of fraud in the NextGeneration EU funds, by providing good practices and recommendations on the control of funds.

In the medium and long term: it will contribute to the improvement of the coordination among EU countries to fight fraud and corruption in the use of NextGenerationEU funds; the recommendations elaborated are expected to generate a reduction in fraud and corruption due to the misuse of NextGenerationEU funds and to contribute to a better allocation of funds.

## **4 Irregularity Management System (IMS) – implementation in 2024**

### **4.1 Main activities**

To protect the EU’s financial interests, EU law requires Member States managing EU spending under shared management and countries benefiting from pre-accession assistance to notify the

Commission of any irregularities (including suspected and proven fraud) detected in areas where the EU provides financial support.

To facilitate the reporting of irregularities, the IMS has been developed and put at the disposal of the Member States and other beneficiary countries. This dedicated electronic system is currently being used by 34 countries.

Member States, candidate countries and other non-EU countries have set up a hierarchical reporting structure with multiple levels of responsibility. Around 750 reporting organisations, covering over 3 000 IMS users, are responsible for the timely reporting of irregularities.

The reporting workflow includes multiple hierarchical levels and various roles within the same level to ensure that several quality checks are performed before the reports are sent to the Commission.

Reporting authorities have responsibilities in one or more of the following fields:

<b>FIELD</b>	<b>EU FUND</b>
Agriculture	European Agricultural Guarantee Fund (EAGF), European Agricultural Fund for Rural Development (EAFRD), European Agricultural Guarantee and Guidance Fund – Guidance Section (GUID)
Home Affairs	Asylum, Migration and Integration Fund (AMIF), Instrument for Financial Support for Border Management and Visa Policy (BMVI) Internal Security Fund (ISF)
Cohesion	Cohesion Fund (CF), European Globalisation Adjustment Fund (EGF), European Regional Development Fund (ERDF), European Social Fund (ESF), European Social Fund plus (ESF+), Just Transition Fund (JTF) Youth Employment Initiative (YEI)
Fisheries	European Fisheries Fund (EFF), European Maritime and Fisheries Fund (EMFF), Financial Instrument on Fisheries Guidance (FIFG), European Maritime, Fisheries and Aquaculture Fund (EMFAF)
Most deprived	Fund for European Aid to the Most Deprived (FEAD)
Neighbourhood	Cross-border Cooperation – European Neighbourhood Policy (CBC-ENP)
Pre-accession	Instrument for Structural Policies for Pre-Accession, Poland and Hungary: Assistance for Restructuring their Economies PHARE), , Special Accession Programme for Agriculture and Rural Development (SAPARD), Transition Facility, Turkish Instrument for Pre-Accession Assistance (TIPAA), Instrument for Pre-accession Assistance 2007-2013 (IPA), Instrument for Pre-accession Assistance 2014-2020 (IPAI), Instrument for Pre-accession Assistance 2021-2027 (IPAIII)
Recovery, Resilience	Recovery and Resilience Facility (RRF), on a voluntary basis

Reporting authorities provide information on:

- who committed the irregularity/fraud (persons involved);
- the support measure such as fund, programme, project, budget line;
- the financial impact (expenditure and irregular/fraudulent amount);
- how the irregularity/fraud was committed;
- when the irregularity/fraud was committed;
- where the irregularity/fraud was committed;
- how the irregularity/fraud was detected; and
- what administrative, judicial or penal follow-up sanctions were imposed.

#### **4.2 What does the AWP involve?**

The 2024 AWP has allocated a budget of EUR 985 119 dedicated to maintenance, IT development, and studies in relation to IMS. In 2024, 99.97% of the available amount for 2024 has been committed.

#### **4.3 Maintenance and development**

In 2024, IMS underwent two major releases, the first updating to the latest standards the underlying IT architecture and software, including some ‘look and feel’ changes to the users’ interface; and the second, improving the search-function possibilities (distinguishing between simple and advanced search), and increasing the attachments size.

### **5 AFIS – implementation in 2024**

Under the programme’s third strand (AFIS), twenty-nine releases for the new Import, Export and Transit (IET) directory and several other application releases and fixes were developed in 2024, totalling nearly one hundred and twenty releases. Among these were several major releases:

1. new versions of the Import Export and Transit supporting new export and transit message formats;
2. a new feature for the Container Origin Signals (COS) module, allowing Member States to provide feedback on signals of potential origin fraud;
3. a new version of the Mutual Assistance System for the reporting of investigative results.

In 2024, AFIS also supported 15 joint customs operations (JCOs) through the UAFP budget.

### **6 Communication**

The successful implementation of the programme and the achievement of its objectives require a structured and well organised approach to inform potential beneficiaries on funding opportunities, as fast and as best as possible.

On an annual basis, the Commission also disseminates information on the achievements and the results of the actions that received funding, for example by means of the current document as part of the annual reporting by the Commission.

On information, communication and visibility, Article 15(2) of the UAFP Regulation states:

‘The Commission shall on a regular basis implement information and communication actions relating to the programme, to actions taken pursuant to the programme and to the results obtained. Financial resources allocated to the programme shall also contribute to the corporate communication of the political priorities of the Union, insofar as those priorities are related to the objectives referred to in Article 2.’

### **6.1 Informing potential applicants**

For the anti-fraud component (Hercule related actions), the full texts of the calls’ documents and the related templates are made available on the Commission’s Funding and Tenders Portal.

Potential applicants were also informed about the publication of 2024 calls via e-mails sent to the Delegates of the Working Party on Combating Fraud of the European Council (GAF), the members of the Advisory Committee for the Coordination of Fraud Prevention (COCOLAF), the Anti-Fraud Coordination Services (AFCOS), the network of associations for European criminal law and for the protection of the EU’s financial interests, and to the Expert Group on Mutual Assistance in Customs Matters (EMAC), as well as AFIS-correspondents in the Member States, for further dissemination to their colleagues in the Member States.

### **6.2 Dissemination of results**

Disseminating the results of technical assistance projects (Hercule) is not always possible since most of the achievements relate to investigations for which (sensitive and/or case-related) information often cannot be disclosed.

The results of training activities were disseminated by distributing electronic and/or paper reports summarising the events. Some beneficiaries posted the recorded event(s) and the projects’ outputs on their websites or created dedicated websites to disseminate results and conclusions.

For the IMS, there is, in particular, the follow-up that is given to IMS notifications, either by the reporting Member State or by the Commission services involved in the financial follow-up of identified financial irregularities or cases of fraud detrimental to the EU’s financial interests. OLAF reports within the Commission on the performance of the tool and the received notifications. It also reports annually to the European Parliament and to the public.

There is no specific dissemination of results stemming from the use of the AFIS platform, except for the annual activity reporting by OLAF and the annual programme performance statements disseminated by the Services of the Commission. In this reporting, the (yearly) number of information items on mutual administrative assistance made available in the relevant AFIS applications is communicated as a monitored performance indicator.

### **6.3 Visibility of EU funding**

On information, communication and visibility, Article 15(1) of the UAFP Regulation states:

*‘Except where there is a risk of compromising the effective performance of anti-fraud and customs operational activities, the recipients of Union funding shall acknowledge the origin of those funds and ensure the visibility of the Union funding, in particular when promoting the actions and their results, by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.’*

Equipment purchased under grant projects for technical assistance is often labelled with logos or stickers referring to EU/Commission funding (except for covert equipment and operations). When possible, beneficiary organisations disseminate information about purchased equipment on project websites or press releases, mentioning the support from EU funding.

Under the training type of actions, all beneficiaries of grants were requested to mention the support from the UAFP (or Hercule for previous grants), where applicable:

1. in every publication (title page) or related material developed (e.g. studies, booklets, newsletters and leaflets);
2. in electronic information (e.g. websites, audiovisual material, videos and software);
3. at information events (conferences and seminars); and
4. by creating a link from their website to the programme's site.

This aspect of EU-support visibility is not applicable to AFIS and IMS components, as no similar grant projects are implemented.

## **7 Feedback from programme participants**

As indicated in Section 3, beneficiaries of UAFP grants for training, conferences and seminars carry out surveys among the participants to collect information on the perceived quality and relevance of the event attended. According to the final reports received in 2024 for the training grants, a total number of 1 687 participants attended training activities co-financed by the programme (both physical and virtual training activities).

The Commission received, from grant beneficiaries, reports based on 1 491 filled-in questionnaires, which reflected, in the assessments done, a high level of satisfaction. The feedback received was overwhelmingly positive, with 96% of the participants assessing the events as 'good' to 'excellent'. Participants appreciated the opportunities for cooperation and exchange of information offered by the training events and considered that the activities had a practical impact on their daily work.

Based on the feedback results, it can be concluded that the events have largely met their objectives and have helped increase awareness on the risks to which the EU's financial interests are exposed.

For technical assistance grants, the beneficiaries provide feedback on the programme in the final technical report. The satisfaction question concerns the suitability of the purchased equipment and tools for the needs of the beneficiary organisation. In 2024, all beneficiaries submitting a final report for their projects expressed an 'excellent' level of satisfaction (with a score of 5 out of 5).

For the use of the IMS tool, the Commission (OLAF) holds a yearly survey on the satisfaction rate expressed by the users on the use of the tool and the support received. The latest IMS users' feedback from 2023 showed a satisfaction level of 91%.

For the AFIS platform, used for information exchange, there is no specific reporting on feedback from participants or beneficiaries. OLAF has the task to keep the platform up to date and running. OLAF registers as a performance indicator the number of information items on mutual administrative assistance made available in the relevant AFIS applications: the Customs Information System, the Customs File Identification Database, and the Mutual Assistance System.

## **8 Ukraine's association to the programme**

OLAF has a long-standing cooperation with the Ukrainian authorities both on the expenditure side of the EU budget (protection of EU funds) and on the revenue side (customs cooperation). OLAF has been supporting Ukraine's anti-fraud authorities to help strengthen and improve the country's structures to deal with fraud and corruption and to protect current and future EU funding.

In 2023, OLAF received an association request from Ukraine, being the first third country expressing such interest in relation to the UAFP. An association agreement covering the participation of Ukraine in the programme has been negotiated between the Commission (represented by OLAF) and the competent authorities of Ukraine, and has been signed in March 2024.

For the upcoming years, Ukraine can benefit mainly from the first component of the programme, which provides the Member States and associated countries with targeted assistance in achieving their obligations to protect the EU's financial interests.

Under the 2024 'Technical Assistance' call for proposals, Ukrainian authorities submitted six applications. Following the evaluation process, one application was selected for an award. However, due to objective national circumstances, the awarded authority subsequently withdrew from the grant procedure.

## **9 Interim evaluation of the programme**

Article 13.2 of Regulation 2021/785 on the establishment of the Union anti-fraud programme of 29.4.2021<sup>11</sup> states:

*'The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the Programme, but no later than four years after the start of the implementation of the Programme'.*

As the programme started with retroactive effect on 1 January 2021, the four years period of the Regulation elapsed on 31 December 2024.

The study on the interim evaluation started in May 2023 and has been performed by an external contractor, covering the period January 2021 to January 2024. The contractor's final report has been submitted on 17 May 2024.

The available data and information in relation to projects funded by the programme, including the financing of AFIS and IMS, has been collected and provided to the contractor. The latter also performed targeted surveys and conducted interviews with internal and external stakeholders of the programme.

The study report has been a solid supporting and reference document for the drafting of the Report from the Commission and its accompanying staff working document on the interim evaluation of the programme, adopted on 17 December 2024.

The main conclusions and lessons learnt from the interim evaluation are that the programme is still considered by the beneficiaries as being very relevant, effective in reaching the programme's

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<sup>11</sup> OJ L 172, 17.5.2021, p. 110-122.

objectives, efficient in not creating substantial higher costs for the applicants, coherent with other EU programmes and providing (internal) coherence between the three components.

The consulted stakeholders recognised the large EU added value which the programme provided so far, since without the funding for technical assistance or training activities under the ‘Hercule’ component, Member States’ authorities would not be fully in a position to implement the planned projects or to bring them to a successful conclusion within the set timeline or available national budget.

Other added value relates to the attractiveness of the programme and its implementation by OLAF, which boosts participation in particular in training events. As lessons learnt, the evaluation identified the continued need to provide guidance to the applicants and to keep the application process as easy as possible, offering sufficient time to apply for funding.

The final evaluation of the UAFP is only expected four years following the end of the programme (four years as of 31 December 2027).

## **10 Conclusions and way forward**

The Union Anti-Fraud Programme continues to play a crucial and effective role in safeguarding the financial interests of the European Union. By providing Member States with the necessary tools and support, the programme helps to prevent, detect, and combat fraud that threatens EU resources. Its ongoing efforts not only ensure that funds are used appropriately but also strengthen the integrity and transparency of EU financial management.

Regarding the anti-fraud component (Hercule), the various outcomes detailed in the preceding chapters highlight the critical role of funding provided to Member State authorities in preventing and combating fraud, corruption, and other illegal activities that threaten the EU’s financial interests. In practical terms, the programme contributed to safeguarding taxpayers’ money from misuse or diversion from its intended purpose.

The programme continuously strives to adapt to the evolving anti-fraud priorities with a stronger focus of support on the expenditure side. This shift in focus reflects both the stringent needs for prevention and investigation related to the increased EU budget and its new forms of expenditure (e.g.: the Recovery and Resilience Facility, the Ukraine Facility, etc.) as well as the new available EU funds dedicated specifically for Member States’ customs authorities (under the Customs Control Equipment Instrument for example).

The programme is also aligning more strongly with the Commission’s anti-fraud strategy. This strategy was revised in 2023 and places a much larger focus on the collection and use of data-driven tools for anti-fraud purposes. The programme’s three components will continue to aim at building and strengthening the necessary capacities in Member States to develop, use and share digital information, databases and business-intelligence tools.

In addition, the Union Anti-Fraud Programme will remain a vital tool in strengthening cross-border cooperation among the national law enforcement authorities of Member States. By fostering greater collaboration, information-sharing, and coordinated efforts, the programme plays an essential role in combating fraud on a broader scale. Its continued success will further ensure that Member States are equipped to address emerging challenges, ultimately contributing to a safer and more secure European Union for all.

As the future EU Multiannual Financial Framework is currently being prepared, it is essential that it includes sufficient funding for operational anti-fraud activities to safeguard the proper and justified use of public money. By investing in robust anti-fraud measures, financed via operational programmes, the EU can protect its financial interests, maintain the integrity of its budget, and uphold public trust in the responsible management of taxpayers' money. Ensuring that these activities are adequately financed within the next financial framework will be key to fostering accountability and securing the long-term sustainability of EU investments.

## Annex 1: Grants and contracts awarded and finalised under the 2024 Financing Decision

Table 1 – TECHNICAL ASSISTANCE grants AWARDED under the 2024 Financing Decision

	MS	Beneficiary	Title and description	Awarded grant (EUR)	Co-fin %
1	PL	Regional Police Headquarters in Lublin	S4E - Security4Europe - reinforcing the capacity of Polish Police in the fight against fraud, corruption and other illegal activity detrimental to the EU financial interests	171 316.00	80
2	RO	Bihor County Police Inspectorate	DITEU - Developing the operational capacity of the IT examination centres to protect the financial interests of the EU	232 317.60	80
3	RO	National Anti-Corruption Directorate	NANOTECH - Improving the protection of the EU financial interests by enhancing the technical endowment of DNA in the field of investigation and surveillance	613 895.20	80
4	PL	Regional Police Headquarters in Gorzów Wielkopolski	WWK - Supporting and strengthening the analytical capacity of the Lubuskie police.	128 576.00	80
5	ES	Ministry of Interior	TLD - The Last Dance - a project to increase pressure on illicit fraud and smuggling activities.	636 198.40	80
6	DE	General Customs Directorate	CRYPTO - Equipment for Crypto analysis	318 417.60	80
7	DE	General Customs Directorate	KI-KEF - AI platform for local risk analysis by airport control units	476 608.00	80
8	PL	Regional Police Headquarters in Krakow	ACTION - Increase operational efficiency in intensifying the fight against financial fraud at the external border of the European Union	139 008.80	80
9	RO	Anticorruption General Directorate	SHIELD - Strengthening the Fight Against Corruption to Protect EU Financial Interests	457 998.40	80
10	IE	The Revenue Commissioners	IDS-IE - EUAF-2024-TA -Intel Development IE	280 800.00	80
11	PL	Regional Police Headquarters in Lublin	TOSLP - Technical and operational support for Lublin police to combat crimes detriment to the EU's financial interests	124 960.00	80
12	PL	Chamber of Fiscal Administration in Warsaw	MUCS - The development of preventive actions, investigative and analytical capabilities and elimination of hardware deficiencies	187 672.00	80
13	LV	National Revenue Service	ACB - Analytical Capacity Building for the Latvian Tax and Customs Police	326 400.00	80
14	DE	General Customs Directorate	GEM - Providing the excise tax units of the customs investigation service (Zollfahndungsämter) with Gemini substance detection devices	508 688.00	80
15	RO	National Anti-Corruption Directorate	DIGIT - Supporting the activity of the European Delegated Prosecutors in Romania in combating fraud and corruption affecting the EU financial interests	245 540.00	80
16	HU	SSNS	SSNS - Developing drone detection and counterintelligence capabilities at the Special Service for National Security (SSNS) to counter illegal smuggling	957 456.00	80
17	LT	Customs Department under the Ministry of Finance of the Republic of Lithuania	BODYCAMS - Acquisition and installation of a portable body cameras system	857 600.00	80
18	PL	Regional Police Headquarters in Kraków	MONSTER - Mobile Network Surveillance Technics as a tool in Eradicating Rapid growth of crimes affecting the EU budget.	932 475.20	80

19	RO	Mures County Police Inspectorate	4EST - Strengthening the operational capacity of Mureş County Police and Târgu Mureş Special Operations Unit to investigate and combat economic crimes in forestry that damage EU's financial interests	341 172.00	80
20	RO	General Police Directorate of the Municipality of Bucharest	DATA ANALYSIS	1 092 000.00	80
21	RO	General Police Directorate of the Municipality of Bucharest	Economic Safeguard	885 312.00	80
22	FR	Ministry of Economy, Finance and Recovery	DNRED-RID - Design and deployment of an MDM supervision solution and of a fleet of digital connected tablets for technical assistance during field operations against the illicit activities of traffickers.	267 000.00	80
<b>TOTAL</b>				10 181 411.20	

Table 2 – TECHNICAL ASSISTANCE grants FINALISED in 2024.

	MS	Beneficiary	Title	Amount paid (EUR)	Amount paid as % to initial commitment <sup>[1]</sup>
1	CZ	Directorate General of Customs	AUDIUS - The Audio video surveillance equipment under the Criminal Procedure Code	390 577.14	98
2	IT	Customs and Monopolies Agency	DFE - Digital Forensic Equipment for ADM	164 720.00	83
3	LT	Financial Crime Investigation Service at the Ministry of Internal Affairs	FCIS - Purchase of Investigation and Surveillance Equipment	121 806.40	90
4	PL	Regional Police Headquarters in Lublin	RCCOTP - Reinforcement of the investigative capability and capacity of operational technique Lublin police officers by purchase of the advanced technical tools to combat irregularities detrimental to the EU's	115 646.65	92
5	RO	National Anti-Corruption Directorate	LINK - Improving the DNAs technical and operational capacity in the field of data analysis to support the investigation in cases of corruption detrimental to the EU financial interests	87 663.73	95
6	RO	General Inspectorate of the Romanian Police	DETECT-X - Strengthening the operational capacity of the Directorate for Investigating Economic Crimes in order to protect the financial interests of the European Union and Romania at the EU's external border	296 676.35	98
7	IT	Ministry of Economy and Finance	ENTERPRISE - ENabling TEchnologies for Repression of frauds and Protection of Interests and Security of European union	224 720.00	100
8	RO	General Inspectorate of the Romanian Police	SIS - Surveillance system for protecting the financial interest of the European Union in Romania	501 539.46	70
9	IT	Ministry of Economy and Finance	A.F.A.S.T. - Anti-Fraud and Anti-Smuggling Tools	356 394.77	92
10	LV	State Revenue Service	POC - Specialized Equipment to Reinforce the Latvian Tax and Customs Police Operational Capabilities	663 026.12	94
11	IT	Ministry of Economy and Finance	MINI DRONE - Purchase of 1 MINI-Class Aircraft System (RPAS) for the fight against counterfeiting and smuggling tobacco products	631 470.00	99
<b>TOTAL</b>				<b>3 554 240.62</b>	

<sup>11</sup> Final payment as percentage of the awarded grant. A percentage lower than 100% means that the action was either not fully implemented or that the beneficiary managed to achieve cost savings.

Table 3 – **DATABASES** that were **CONTRACTED** under the 2024 Financing Decision

	Name	Content	Commitment in Euro
1	TDM (Trade Data Monitor)	Worldwide trade statistics database	120 000
2	Moodys - ORBIS	Worldwide company data information	679 661
3	Lloyds - Seasearcher	Worldwide vessels movement information	268 834
<b>Total committed under the 2024 budget</b>			<b>1 068 495</b>

Table 4 – **TRAINING, CONFERENCES, STAFF EXCHANGES AND STUDIES** grants **AWARDED** under the 2024 Financing Decision

	MS	Beneficiary	Title	Awarded grant (EUR)	Co-fin %
1	DE	The Max Planck Society for the Advancement of Science	Eucrim - European Law Forum: Prevention - Investigation - Prosecution - publication of a periodical on the protection of the EU's financial interests	312 749.86	80
2	IT	Avviso Pubblico - Enti locali e Regioni contro mafie e corruzione.	Act Now - Avviso Pubblico's Trainings Against Corruption and Fraud	88 893.04	80
3	LU	Luxembourg University	FUTUREFRAUD - Conference – The future of the anti-fraud landscape	88 672.00	80
4	IT	Catania University	PIF - Strengthening the protection of EU's financial interests via criminal law: a comprehensive study on fraud prevention, anti-corruption and anti-money laundering measures, and corporate crime.	117 434.27	80
5	HR	Central Finance and Contracting Agency	PROTECT (Prevention, Response and Oversight Tactics to Eliminate fraudulent aCTivities) network - anti-fraud capacity building	79 924.00	80
6	PL	Regional Police Headquarters in Lublin	LTSE - LEGAL TRADE – SECURE EUROPE – EU Law Enforcement Agencies against illegal tobacco trade	66 571.11	80
7	PL	Regional Police Headquarters in Olsztyn	KONF-PG - protection of the financial interests of the European Union through cooperation of services and exchange of experience with a view to prevent and combat fraud.	161 024.00	80

8	ES	Ministry of Interior	TLJ - The Lambda's Journey - Training programme to combat fraud and smuggling in the EU	101 759.57	80
<b>TOTAL</b>				<b>1 017 027.85</b>	

Table 5 – **ANTI-FRAUD PROCURED CONFERENCES** organised by the Commission under the 2024 Financing Decision

Dates	Conference title	Location	N° of particip.	Amount committed EUR
September 2023	AFCOS Seminar – Third countries	Budva, Montenegro	90	83 029.74
November 2023	High-Level Conference on Customs Fraud	Sevilla, Spain	115	176 371.76
June 2023	Joint Sanctions Enforcement Meeting	Brussels, Belgium	48	36 636.36
October 2023	AFCOS Meeting Member States	Vilnius, Lithuania	80	65 439.48
October 2023	ASEM Joint Customs Operation Debriefing Meeting	Ischia, Italy	60	119 862.38
October 2023	Annual Conference of the Task Group "Cigarettes"	Ljubljana, Slovenia	95	150 776.47
March 2024 <sup>12</sup>	JCO Refrigerants F-gas Briefing Meeting	Lublin, Poland	40	80 811.58
October 2023	Workshop on EU expenditure fraud investigations	Brussels, Belgium	22	35 338.22
February 2024 <sup>13</sup>	OLAF Training for the Ukrainian anti-fraud authorities	Brussels, Belgium	40	88 718.45
<b>TOTAL</b>			<b>590</b>	<b>836 984.44</b>

Table 7 – **LEGAL TRAINING** and **STUDIES** grants **FINALISED** in 2024

MS	Beneficiary	Title	Amount paid (EUR)	Amount paid as % to initial commitment <sup>[1]</sup>
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<sup>12</sup> This meeting has been committed under the 2023 UAFP budget and was organised in March 2024.

<sup>13</sup> This training session has been committed under the 2023 UAFP budget and was organised in February 2024.

1	DE	JUSTUS-LIEBIG UNIVERSITY OF GIESSEN	The EPPO/OLAF Comparative Procedural Manual (CPM) 27+1: The Member States' (27) and Union Law's (1) provisions on investigations by the EPPO and OLAF, thoroughly compiled and explained	106 072.10	100
<b>TOTAL</b>				<b>106 072.10</b>	

<sup>[1]</sup> Final payment as percentage of the awarded grant. A percentage lower than 100% means that the action was either not fully implemented or that the beneficiary managed to achieve cost savings.

Table 8 – TRAINING, CONFERENCES, STAFF EXCHANGES AND STUDIES grants FINALISED in 2024

	MS	Beneficiary	Title	Amount paid (EUR)	Amount paid as % to initial commitment <sup>[1]</sup>
1	ES	Ministry of Interior	IAEUFIF - Training on investigations against EU financial interests fraud	33 352.33	100
2	PL	Tax Administration Chamber in Lublin	TRAI - Specialised training sessions in field of data analysis and extended confiscation for The Department of Investigation of the Tax Administration in Lublin	89 280.00	100
3	PL	Provincial Police Headquarters in Lublin	CIAUF - Combating irregularities in the allocation and use of the EU's funds – crime schemes, mechanisms and investigation strategies	32 660.77	88
4	DE	ERA - Academy of European Law	ERA - Preventing and detecting fraud: Special toolkits of (new) investigation techniques to better protect the EU financial interests	49 755.90	80
<b>TOTAL</b>				<b>205 049.00</b>	

<sup>[1]</sup> Final payment as percentage of the awarded grant. A percentage lower than 100% means that the action was either not fully implemented or that the beneficiary managed to achieve considerable cost savings.

Table 9 – GLOBAL OVERVIEW per Member State of awarded grants and rejected applications in 2024

	Number of applications received	Number of awarded grants	Grants requested (EUR)	Grants awarded (EUR)
<b>TECHNICAL ASSISTANCE 2024</b>	<b>88</b>	<b>22</b>	<b>38 256 963.31</b>	<b>9 914 411.20</b>
Belgium	1	-	211 437.60	-
Bulgaria	2	-	1 316 450.25	-
Czech Republic	3	-	685 679.19	-
Germany	3	3	1 303 713.60	1 303 713.60

Greece	3	-	1 236 520.00	-
Spain	3	1	1 332 640.80	636 198.40
France	5	-	3 577 545.00	267 000.00
Hungary	5	1	3 863 055.20	957 456.00
Ireland	1	1	280 800.00	280 800.00
Italy	1	-	199 478.40	-
Lithuania	2	1	1 012 688.79	857 599.99
Latvia	4	1	1 839 476.00	326 400.00
Poland	30	6	11 493 995.52	1 684 007.98
Romania	19	7	8 429 706.36	3 868 234.40
Slovakia	1	-	220 328.00	-
Ukraine	5	-	1 253 448.60	-
<b>TRAINING, CONFERENCES, STAFF EXCHANGES AND STUDIES 2024</b>	<b>34</b>	<b>8</b>	<b>4 074 358.21</b>	<b>1 017 027.85</b>
Bulgaria	2	-	105 294.05	-
Czech Republic	3	-	282 443.79	-
Germany	1	1	312 749.86	312 749.86
Spain	4	1	290 261.15	101 759.57
Croatia	1	1	79 924.00	79 924.00
Hungary	3	-	343 046.62	-
Italy	7	2	772 873.99	206 327.31
Lithuania	1	-	131 336.07	-
Luxemburg	2	1	268 984.00	88 672.00
Poland	5	2	893 353.45	227 595.11
Portugal	1	-	62 118.00	-
Romania	3	-	463 849.23	-
Slovakia	1	-	68 124.00	-
<b>TOTAL</b>	<b>122</b>	<b>30</b>	<b>42 331 321.52</b>	<b>11 198 439.05</b>

