Resolution on the OLAF Supervisory Committee' s annual report 2014

2015/2699(RSP) - 10/06/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 448 votes to 197, with 53 abstentions, a resolution on the OLAF Supervisory Committee's annual report 2014.

The resolution was tabled by the EPP, Greens/EFA and GUE/NGL groups.

Opening investigations: Parliament stressed that in its Annual Activity Report 2014, the OLAF Supervisory Committee (SC) noted that at the time of the reorganisation of OLAF (1 February 2012), 423 cases were opened on the same day by a single decision of the Director-General of OLAF (OLAF DG). On the basis of its analysis, the SC concluded that (i) OLAF did not conduct any appropriate assessment of the incoming information for any of the cases analysed by the SC, (ii) for the vast majority of cases there was not even a trace of any assessment activity, and (iii) the OLAF DG opened all the cases in question without establishing beforehand the existence of a sufficiently serious suspicion that there had been fraud, corruption or any other illegal activity affecting the financial interests of the Union – which was in contradiction with the legal requirement for opening an OLAF investigation in force at that time.

Under these circumstances, Parliament strongly emphasised OLAF's responsibility to **comply with the legal requirements for opening an investigation**. It recalled that, as regards the 423 cases opened on the same day, only 8.4 % of those that were closed resulted in recommendations, and it called on the SC to follow up compliance with the legal requirements on a regular basis.

Duration of investigations: Members pointed out that the SC concluded that the reporting on the duration of investigations by OLAF had not provided a comprehensive view of its investigative performance. While OLAF stated in its annual report that 'investigations are being completed in less time', the SC concluded that the improvement in the results of OLAF investigations was due to the **introduction of new calculation methods**. Members recalled also that Regulation (EU, Euratom) No 883/2013 reinforced the SC's role in monitoring the duration of OLAF's investigations. Notwithstanding OLAF's formal compliance with its obligation to report regularly to the SC on **investigations lasting more than 12 months**, the SC concluded, in its Opinion No 4/2014 that the **information provided to it had been insufficient** to enable it to properly and effectively monitor the duration of OLAF's investigations. Accordingly, Parliament urged OLAF to comply with the legal requirements to enable the SC to fulfil one of its core functions with regard to **supervising the duration** of OLAF's investigations.

Working Arrangements: the resolution noted that the SC had stated that the core of the problem with regard to the effectiveness of its supervisory role was not poor implementation of the Working Arrangements, but a **fundamental difference of views between the SC and the OLAF DG in their perceptions of the SC's role**. Parliament urged the Commission to facilitate negotiations between OLAF and the SC by drawing up an **action plan** by 31 December 2015 with a view to amending the Working Arrangements to create a working environment in which the SC could fulfil its mandate. It took the view that the amended Working Arrangements should clarify the SC's role to all the parties concerned.

SC recommendations: Parliament pointed out that, in the first half of the SC's mandate, the SC issued 50 recommendations to OLAF, of which only eight were fully implemented, six were partially implemented, one was pending and 20 were not implemented, and in 15 cases the SC was not able to verify implementation owing to insufficient substantive information. It referred to its resolution of 29 April 2015 on discharge in respect of the implementation of the general budget of the European Union for the

financial year 2013, and urged OLAF, without undue delay, to provide justification for the cases in which it had not implemented the SC's recommendations.

OLAF's independence: the SC had constantly pointed out its inability to supervise OLAF's independence on account of the lack of access to necessary information. Parliament deplored the fact that the SC was not able to implement its mandate fully, and asked the Commission to take measures to improve the SC's ability to supervise OLAF's independence, its investigative function, the application of procedural guarantees and the duration of investigations, without, however, putting OLAF's independence at risk.

Allocation of resources: Parliament noted that out of 134 investigators at the end of 2014, 13 (10 %) were assigned to the tobacco and counterfeit unit, and 44 (33 %) to the units for agricultural and structural funds, which accounted for 86 % of the financial interests at stake (EUR 1.9 billion). It recommended, therefore, that OLAF reconsider the allocation of its resources.