

**CONSOLIDATED  
ANNUAL  
ACTIVITY  
REPORT  
20  
23**



EUROPEAN  
PUBLIC  
PROSECUTOR'S  
OFFICE

**ANNEX: EUROPEAN PUBLIC PROSECUTOR'S OFFICE**  
**Consolidated Annual Activity Report 2023**

Report pursuant to Article 48 of the EPPO's Financial Rules

## Contents

<b>List of abbreviations .....</b>	<b>5</b>
<b>College of the EPPO's analysis and assessment.....</b>	<b>7</b>
<b>Laura Codruța KÖVESI .....</b>	<b>9</b>
<b>European Chief Prosecutor.....</b>	<b>9</b>
<b>Executive summary .....</b>	<b>10</b>
<b>Part I: Achievements of the year .....</b>	<b>11</b>
Action area: Prosecution casework.....	12
Action area: Cooperation/policy work.....	16
Action area: Administrative Governance.....	21
<b>Part IIa: Management.....</b>	<b>27</b>
2.1: Major developments.....	27
2.2: Budgetary and financial management.....	29
2.3: Delegation and sub-delegation .....	31
2.4: Human Resources management .....	32
2.4.1: <i>Engagement and retention of top talent at Central Office .....</i>	<i>32</i>
2.4.2: <i>Upscaling provision of HR services to decentralised offices .....</i>	<i>32</i>
2.4.3: <i>Fostering a culture of continuous learning and development.....</i>	<i>32</i>
2.4.5: <i>Consolidation of HR compliance framework.....</i>	<i>33</i>
2.4.6: <i>Screening/benchmarking exercise .....</i>	<i>34</i>
2.5: Strategy for efficiency gains .....	34
2.6: Assessment of audit and ex-post evaluation results during the reporting year .....	35
2.6.1: <i>Internal Audit Service .....</i>	<i>35</i>
2.6.2: <i>Internal Audit Capability.....</i>	<i>35</i>
2.6.3: <i>European Court of Auditors.....</i>	<i>35</i>
2.7: Follow-up of recommendations and action plans for audits and evaluations .....	35
2.8: Follow-up of recommendations issued following investigations by the European Anti-Fraud Office (OLAF) .....	36
2.9: Follow-up of observations from the discharge authority .....	36
2.10: Environmental management .....	37

2.11: Assessment by management .....	37
<b>Part IIb: External evaluations .....</b>	<b>38</b>
<b>Part III: Assessment of the effectiveness of the internal control systems .....</b>	<b>38</b>
3.1: Effectiveness of internal control systems .....	38
3.2: Conclusions of the assessment of internal control systems.....	42
3.3: Statement of the manager in charge of risk management and internal control .....	43
<b>Part IV: Management assurance .....</b>	<b>44</b>
4.1: Review of the elements supporting assurance.....	44
4.2: Reservations.....	44
<b>Part V: Declaration of assurance .....</b>	<b>45</b>
<b>Annexes.....</b>	<b>46</b>
Annex I: Core business statistics .....	46
Annex II: Statistics on financial management .....	46
Annex III. Organisational chart.....	46
Annex I: Core business statistics, 2023 .....	47
Annex II: Statistics on financial management, 2023 .....	49
Annex III: Organisational chart.....	50
Annex IV: Additional information on Human Resources management.....	51
Annex V: Human and financial resources by activity.....	55
Annex VI: Contribution, grant and Service Level Agreements. Financial framework partnership agreements.....	55
Annex VII: Environmental management.....	57
Annex VIII: Final annual accounts.....	58

## List of abbreviations

**AAR:** Annual Activity Report

**ACN:** Anti-Corruption Network for Eastern Europe and Central Asia

**APs:** Analysis Projects

**AWP:** Annual Work Programme

**CA:** Contract Agent

**CAAR:** Consolidated Annual Activity Report

**CAFS:** Commission Anti-Fraud Strategy

**CARIN:** Camden Asset Recovery Inter-Agency Network

**CEOS:** Conditions of Employment of Other Servants of the EU

**CEPOL:** European Union Agency for Law Enforcement Training

**CFMLAR:** Criminal Finances, Money Laundering and Asset Recovery

**CMS:** Case Management System

**CNA:** Competent National Authority

**CONT:** Committees on Budgetary Control

**EACN:** European contact-point network against corruption

**ECA:** European Court of Auditors

**ECR:** EPPO Crime Report

**EDP:** European Delegated Prosecutor

**EFEC:** European Financial and Economic Crime Centre

**EIO:** European Investigation Order

**EJTN:** European Judicial Training Network

**IMPACT:** European Multidisciplinary Platform Against Criminal Threats

**EP:** European Prosecutor

**EPAC:** General Assembly of the European Partners against Corruption

**EPPO:** European Public Prosecutor's Office

**EU:** European Union

**GLEN:** Global Network of Law Enforcement Practitioners against Transnational Bribery

**Globe Network:** Global Operational Network of Anti-Corruption Law Enforcement Authorities

**HR:** Human Resources

**IAC:** Internal Audit Capability

**IAS:** Internal Audit Service

**IBOAs:** Institutions, Bodies, Offices and Agencies of the European Union

**ICDT:** Inter-institutional Committee for Digital Transformation

**ICF:** Internal Control Framework

**ICHA:** International Corruption Hunters Alliance

**ICT:** Information and Communications Technology

**IO:** International Organisation

**JHA:** Justice and Home Affairs

**KPI:** Key Performance Indicator

**LEN:** Law Enforcement Network

**LEO:** Law Enforcement Officials

**LIBE:** Committee on Civil Liberties, Justice and Home Affairs

**MS:** Member State [of the EU]

**NEDPA:** National European Delegated Prosecutors' Assistant

**NPMS:** Non-Participating Member State [of the EU]

**PAE:** Pre-Assessment Environment

**PC-OC:** Committee of Experts on the Operation of the European Conventions on Cooperation in Criminal Matters

**PSC:** Personal Security Clearance

**RMP:** Risk Management Policy

**RRF:** Recovery and Resilience Facility

**SCOC:** Senior Coordinator on Fight against Organised Crime

**SFTP:** Secure File Transfer Protocol

**SIAP:** Strategic Internal Audit Plan

**SIENA:** Secure Information Exchange Network Application

**SNE:** Seconded National Expert

**SPD:** Single Programming Document

**MTIC:** Missing Trader Intra-Community

**TA:** Temporary Agent

**TFTC:** OECD Taskforce on Tax and Crime

**PIF:** Protection of the financial interests  
(*Protection des intérêts financiers*)

**WA:** Working Arrangement

**WGB:** Working Group on Bribery in International Business Transactions

**WP:** Work Programme

## College of the EPPO's analysis and assessment

The College of the EPPO takes note of the Consolidated Annual Activity Report (CAAR) for the financial year 2023, submitted by the Acting Administrative Director of the EPPO, in accordance with Article 48 of the Financial Rules applicable to the EPPO. The College takes note of the Acting Administrative Director's Declaration of Assurance thereto.

The College of the EPPO,

- having regard to Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO')<sup>1</sup>, and in particular Article 94 thereof,
- having regard to the Financial Rules applicable to the EPPO<sup>2</sup>, and in particular Article 48 thereof,
- having regard to the final annual accounts of the European Public Prosecutor's Office for the financial year 2023,
- having regard to the Court of Auditors' annual report on EU agencies for the financial year 2022, together with the agencies' replies,
- having regard to the European Parliament's report of 11 April 2024 on discharge in respect of the implementation of the budget of the European Public Prosecutor's Office for the financial year 2022 (2023/2139(DEC)),

has analysed and assessed the CAAR 2023 and acknowledges the EPPO's performance and in particular:

- Welcomes the results presented in the CAAR and expresses its satisfaction with the achievements of the objectives set out in the Work Programme 2023, as reported in Part I.
- Notes with satisfaction that the European Parliament has granted discharge to the Administrative Director of the EPPO in respect of the financial year 2022.
- Expresses its satisfaction with the outcome of the external audit on the annual accounts for the financial year 2022. Welcomes that the ECA concluded that the revenue and the payments underlying the accounts of the EPPO for the year ending 31 December 2022 are legal and regular in all material aspects. Notes that at the time of assessment of this Consolidated Annual Activity Report, the ECA has not yet issued its report for the financial year 2023.

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<sup>1</sup> COUNCIL REGULATION (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO').

<sup>2</sup> Decision 2/2021 of the College of the European Public Prosecutor's Office of 13 January 2021 on the Financial Rules applicable to the European Public Prosecutor's Office, as amended and supplemented by the Decision 023/2023 of the College of the EPPO of 19 April 2023.

- Welcomes that most of the observations from the ECA from last year are closed, and that the EPPO managed to decrease further the proportion of late payments from 5.5% in 2022 to 0.9% in 2023, with no late interest payments to suppliers.
- Notes that the exceptions registered in 2023 were immaterial (below the materiality threshold of 2%), and thus, do not indicate a systemic weakness of internal controls.
- Expresses its satisfaction with the rate of 99.61% of budget execution over the final 2023 budget.
- Welcomes the increase in the effectiveness of recruitment and the measures taken towards increased rate of fulfilment of the EPPO establishment plan. Notes that 24 selection procedures for statutory staff were completed in 2023. Welcomes the total number of statutory staff members and SNEs reaching 233, which translates to an occupancy rate of 91%.
- Appreciates the presentation of the building blocks of assurance, the gradual development of the EPPO's control environment and the underlying elements that support the Acting Administrative Director's declaration of assurance.
- Welcomes the continued implementation of the internal control system and the result of the annual assessment of the internal control system as effective and efficient.
- Welcomes the actions taken by the Administrative Director of the EPPO to enhance the administrative efficiency and organisational maturity and provide a higher level of administrative service.
- Appreciates the adoption of a quality management system to optimise key processes and achieve an increase in organisational performance and reengineering of procedures to reduce administrative burden.
- Expresses its appreciation to the Administrative Director for the communication and information provided to the College of the EPPO throughout the year on the EPPO's administrative activities and progress.
- Points out the high-risk environment in physical and information security within which the EPPO operates.
- In light of the above, notes the significant growth in the EPPO's workload, as a combination of incoming information resulting in new investigations, and ongoing investigations opened in the past, and notes an expectation of continuous growth of workload in the coming years.
- Notes the marginal increase in the EPPO's resources in 2023 and expresses its concern about the understaffing of the EPPO, in general, and of some functions, in particular, and the resulting risk to the EPPO's ability to continue delivering on its mandate in a satisfactory manner.
- In light of this, calls on the EU Budgetary Authority to consider a timely increase of the staff allocated to the EPPO.



- Takes note of limitations brought by some features of the EPPO Regulation in the practical deployment of the EPPO's mandate and calls on the EU to address them.

The College notes that the Acting Administrative Director of the EPPO has no critical issues to report that would merit a reservation for the financial year 2023 to the Discharge Authority.

Based on the above observations, and in accordance with Article 48 of the Financial Rules applicable to the EPPO, the College of the EPPO confirms that the assessment of the Acting Administrative Director's Consolidated Annual Activity Report 2023 is positive.

The Consolidated Annual Activity Report 2023 shall be sent to the European Parliament, the Council, the European Commission and the European Court of Auditors.

Luxembourg, 12 June 2024

For the College,

Laura Codruța KÖVESI

European Chief Prosecutor

## Executive summary

The year 2023 saw the European Public Prosecutor's Office effectively delivering on the mission for which it was created.

A dedicated Annual Report by the European Public Prosecutor's Office, highlighting the main features of that initial period of operations, was published in accordance with Article 7 of the EPPO Regulation<sup>3</sup>. This Consolidated Annual Activity Report (CAAR) expands beyond the elements of the EPPO Annual Report, in CAAR-standardised format, on the specific aspects of resources management.

As well as being an initial period of operations, 2023 has been a learning period, enabling the operating model characteristics to become more precisely defined, and to compare them with the planning assumptions that had been made at the initial budgeting stage, and defended to the EU Budgetary Authority.

The workload has increased significantly, while structural understaffing of the European Public Prosecutor's Office persists. Consequently, the European Public Prosecutor's Office's ability to investigate, prosecute and bring to judgment the perpetrators of, and accomplices in, offences against the EU's financial interests is affected.

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<sup>3</sup> Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO').

## Part I: Achievements of the year

In 2023, the EPPO received 4187 crime reports and opened 1371 investigations, reaching a total of 1927 active cases, with an overall estimated damage of €19.2 billion. The proportion of reports from private parties (59%) was very high and is an expression of great expectations towards the EPPO as an EU judicial body.

By 31 December 2023, the EPPO had 1927 ongoing cases:

- 28% of them had a cross-border dimension (acts either committed on the territory of several countries, or which caused damage in several countries);
- Over 200 investigations related to funding under NextGenerationEU, with an estimated damage of over €1.8 billion.

In operational terms, 2023's activities are described in greater detail in the [EPPO Annual Report 2023](#). Regarding operational and non-operational specific strategic objectives for 2023, as per the Single Programming Document 2023-2025, a summary of the key features is reported below. It is to be noted that, being an initial period of activity, for most of these strategic objectives, the period is used to measure basic output indicators, to be used as a baseline for capturing development dynamics in future years.

Given that this is the initial period of operations of the EPPO, the period represents an opportunity to establish benchmark and structural indicators adapted to the EPPO's mission. Per Action Area, the progress can be summarised in greater detail as follows.

## Action area: Prosecution casework

Activity 1.1	Ensure proper registration and verification of information on crime reports received by the EPPO
<b>Objective 1</b>	Ensure effective processing of incoming information from competent national authorities and EU institutions, bodies, offices and agencies (IBOAs).
<b>Objective 2</b>	Ensure effective screening and processing of incoming information from private parties.
<b>Objective 3</b>	Ensure high level of accuracy in registration and verification of information, including full compliance with data protection rules.

One of the EPPO's main objectives is to ensure that effective mechanisms are in place for the proper processing of information received from the competent national authorities, EU institutions, bodies, offices and agencies (IBOAs), private parties and other relevant stakeholders – including non-participating Member States, third countries and international organisations (IOs). The EPPO has established direct communication channels with the reporting entities. A uniform reporting template, the EPPO Crime Report (ECR), has been created, translated into all participating Member States' languages and disseminated to all relevant reporting authorities. A dedicated operational environment for the pre-assessment of complaints by private parties, in compliance with the applicable provisions on the protection of personal data, has been established.

The reporting of information by national authorities and IBOAs is done via a direct and secure connection – EPPOBox – managed by the EPPO, while private parties have access to a reporting tool on the EPPO website. The EPPO is also a user of the Secure Information Exchange Network Application (SIENA), managed by Europol.

In 2023, a pilot project granting access to some of the EPPO's digital tools to the National European Delegated Prosecutors' Assistants (NEDPAs<sup>4</sup>) was conducted, thus facilitating the exchange of information, and increasing the quality of the data available in the EPPO's Case Management System. This project was a success, with very encouraging preliminary results – so a decision was made to extend it, in 2024, to a greater number of NEDPAs.

In 2023, the EPPO processed **4187** crime reports, which is 26% more than in 2022. This increase has been driven mainly by reports from private parties (**2494**, which is 29% more than in 2022) as well as from national authorities (**1562**, which is 24% more than in 2022).

The EPPO has continued to work closely with the national authorities of the Member States in the development of the reporting network and in the designation of the

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<sup>4</sup> NEDPAs are assistants put at the disposal of the EPPO decentralised offices by the national authorities, but are not employed by the EPPO.

competent authorities pursuant to Article 117 of the EPPO Regulation. By the end of 2023, the reporting network of the EPPO had expanded to 699 EPPOBox users – which is 161 more than last year. This includes 16 of the designated authorities from the Member States connected directly with the Central Office in Luxembourg.

Direct connection with key EPPO partners at EU level now exists with Europol, Eurojust, the European Anti-Fraud Office (OLAF), the European Commission, the European Court of Auditors, the European Investment Bank, the European Central Bank, Frontex and Eurofisc.

Of the **2494** private party and legal entity submissions received, **424** (15%) related to the EPPO's competence. Each of these reports was verified as a new registration case, or processed by the European Delegated Prosecutor under an existing EPPO registration or investigative case. **2070** (75%) reports by private parties and legal entities were assessed as manifestly outside of the EPPO's competence. Out of these 2070 reports, the EPPO referred **380** reports to the competent national authorities, when the reports did not relate to the EPPO's mandate but might constitute a crime under their competence. It referred **58** reports by private parties to OLAF for their processing.

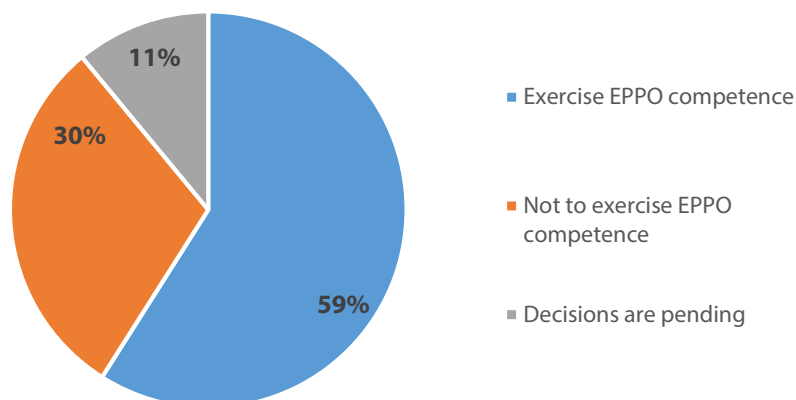
With the increase in the number of cases and investigations, the volume of operational personal data processed by the EPPO rose significantly in the course of 2023. The same applies, as regards the volume of administrative personal data processed, stemming from the expansion of the EPPO staff. Following from the 2022 operational visit by the European Data Protection Supervisor (EDPS), in April 2023, the EDPS conducted its first audit of the EPPO, which focused on the dedicated processing environment for analysis of operational personal data for case analysts. The audit also focused on the implementation of data subject access requests to operational personal data.

In October, the EPPO welcomed the EDPS to its office in Lisbon, providing an overview of the daily work of a European Delegated Prosecutor, including the practical aspects of running investigations and prosecutions. In the context of the integration of the EPPO into the national environment from a data protection perspective, a few of the EPPO's decentralised offices also welcomed visits from the EPPO's Data Protection Officer. During 2023, the EPPO received no access requests or requests to exercise other data subject rights, neither in relation to operational nor administrative personal data.

<b>Activity 1.2</b>	<b>Conduct independent, impartial, high quality investigations and prosecutions with high rate of success in court</b>
<b>Objective 1</b>	Effectively investigate and prosecute offences against the EU budget, including in cross-border cases.
<b>Objective 2</b>	Establish a coherent system for investigation and prosecution of offences affecting the EU's financial interests.

After the verification of information reported to it, the EPPO decided to exercise its competence in **1185** cases, while in another **597** cases the decision was not to exercise it. In **223** cases the decisions were still pending on 31 December 2023.

### Decisions on the exercise of the EPPO's competence 2023



In the cases in which the EPPO decided to exercise its competence, investigations were carried out at a sustained pace, and various procedural decisions were taken: indictments (**139**) and persons indicted (**458**); simplified prosecution procedures (**56**); cases referred to national authorities (**127**<sup>5</sup>); and cases dismissed (**166**<sup>6</sup>). At the end of 2023, criminal investigations were continuing in **1734** fraud cases, **95** of which were linked to non-EU (third) countries, and the percentage of ongoing investigations involving more than one Member State was **28%**. By year-end, **193** court cases were ongoing, **48** convictions were handed down by national courts and **5** acquittals.

The **139** indictments the EPPO filed in 2023 (which is over 50% more than in 2022), concern crimes including corruption, procurement and non-procurement expenditure fraud, VAT and non-VAT revenue fraud, as well as misappropriation, money laundering, participation in a PIF crime-focused criminal organisation and inextricably linked offences. In 2023, the EPPO started to bring more perpetrators of EU fraud to judgment in front of national courts.

In 2023, the EPPO continued its efforts to establish a coherent system for the investigation and prosecution of offences affecting the EU's financial interests. In order to strengthen this coherence, five workshops were organised at the Central Office for European Delegated Prosecutors who work in the EPPO zone on different topics: investigations

<sup>5</sup> 10 additional cases were partially referred to national authorities.

<sup>6</sup> In 8 cases there were additionally 12 partial dismissals.

involving EU staff and EU elected officials protected by immunities and privileges; cooperation with the Permanent Chambers; non-VAT revenue fraud and the EPPO's role in investigating customs fraud and other associated criminal offence typologies; asset recovery, with an accrued anti-money laundering perspective, and an 'All-EDP Forum'. This last event, held in December, gathered all active European Delegated Prosecutors for an overview of the year's achievements, and a discussion on future challenges and plans for 2024. All workshops also facilitated cooperation on cross-border cases, based on the complex mechanism of Article 31 of the EPPO Regulation.

In addition to the workshops, 15 professional training courses were organised, coordinated and delivered by the consortium of the Academy of European Law and European Judicial Training Network (ERA-EJTN), which included the following topics: admissibility of evidence gathered in EPPO cases; EU funding; forensic accounting; financial investigations; the EPPO and non-EU countries; English legal terminology; and analytical tools.

In 2023, the EPPO developed reports providing a strategic overview of the most prevalent types of fraud affecting EU funds. Amongst others, these contributions featured a specialised booklet ('New VAT Fraud Modus Operandi'), and a compendium ('Expenditure Manual'), which outlined best practices and insights for investigating expenditure fraud and corruption. Additionally, the EPPO developed its blueprint, a 'Concept Note on Strategic Analysis', to establish a dedicated strategic analysis capacity within the Operations Unit.

In 2023, the College of the EPPO appointed the Senior Coordinator on Fight against Organised Crime (SCOC), to advise the European Chief Prosecutor on the development of the investigation and prosecution policy of the EPPO and on its implementation, and on fostering a genuinely transnational approach to cross-border investigations and prosecutions falling under the competence of the EPPO, involving organised crime. The Coordinator also supports the College of the EPPO by reporting on topics relevant to the EPPO's capacity to fight organised crime, helping to identify priorities and possible strategic decisions, including on the implementation and monitoring of the investigation and prosecution policy of the EPPO.

### **Action area: Cooperation/policy work**

<b>Activity 2.1</b>	<b>Ensure strong cooperation with Eurojust, European Anti-Fraud Office (OLAF), Europol and other EU partners</b>
<b>Objective 1</b>	Develop operational cooperation with Eurojust, OLAF and Europol.
<b>Objective 2</b>	Ensure effective cooperation with other institutions, bodies, offices and agencies of the EU.

In 2023, the EPPO continued to reinforce ties and foster cooperation with all concerned counterparts, including institutions, bodies, offices and agencies of the EU, relevant authorities of non-EU countries and EU Member States not participating in the EPPO, as well as international organisations, expert networks and fora. Raising awareness, around the globe, of the EPPO's mandate, tools and jurisdiction where EU funds are involved, is key to increasing the reporting of crime, and to ensuring trust and effective cooperation with its partners.

The EPPO participated in several meetings with the European Parliament and the Council of the EU. In particular, the European Chief Prosecutor was invited, in March, to a joint meeting in the European Parliament of the Committees on Civil Liberties, Justice and Home Affairs (LIBE) and on Budgetary Control (CONT), to present the EPPO's 2022 Annual Report. She also participated in meetings with the European Parliament's Subcommittee on Tax Matters in March, to discuss the fight against VAT fraud, and with the Committee on Regional Development in May, for more general discussions on how to improve the fight against fraud affecting the financial interests of the EU, specifically on the expenditure side. The EPPO hosted a delegation of the Committee on Budgetary Control in October 2023.

At the June meeting of the Justice and Home Affairs (JHA) Council, the European Chief Prosecutor supported, in particular, a possible extension of the EPPO's competence as regards violations of EU restrictive measures, while at the December JHA Council meeting, she highlighted the EPPO's role in combating serious organised crime. The European Chief Prosecutor also took part in the annual inter-institutional exchange of views with the Council of the EU, the European Commission and the European Parliament on the performance of OLAF.

The second annual high-level review of the cooperation between the EPPO and the European Commission took place at the end of September 2023. It addressed, among others, the following topics: EPPO notifications allowing the European Commission to take precautionary and corrective measures; suspicion of fraud reporting from the IBOAs; protection of the EU's Recovery and Resilience Facility funds; and damage estimation methodologies.



Lastly, the EPPO concluded its negotiations for working arrangements with the EU's executive agencies, and continued its negotiations with the European Parliament and the European External Action Service.

The EPPO and Eurojust agreed on the indirect access to information in their respective case management systems, on the basis of a hit/no-hit system (Article 100(3) EPPO Regulation, Article 50(5) of the Eurojust Regulation). The EPPO and Eurojust liaison teams met once during the reporting period. By the year's end, there were 26 ongoing cases supported by the Eurojust National Desks. The EPPO is continuing to participate in the 'US-EU expert group on obtaining electronic evidence via mutual legal assistance from the US', hosted by Eurojust.

The EPPO had 284 exchanges of information with OLAF. Specifically, the EPPO replied to 32 hit/no-hit requests sent by OLAF, in order to avoid parallel investigations into the same facts. Moreover, OLAF complemented the EPPO's activity in 22 cases, whereas support was provided in 4 cases. The EPPO has efficiently cooperated with Europol in various operational matters, under the aegis of the EPPO-Europol Steering Committee. In particular, Europol provided support (information exchange, analytical support, expertise, etc.) upon 47 requests from the EPPO. The EPPO is closely cooperating with the European Financial and Economic Crime Centre (EFECC), and is an associated party of the following Analysis Projects (APs): AP High Risk Organised Crime Groups, AP Corruption and AP MTIC, and is considering participation in additional APs. Through the specialised teams within its Operations unit, the EPPO has been actively contributing relevant operational experience and insight to these projects, enriching its own knowledge and capabilities in providing expertise.

<b>Activity 2.2</b>		<b>Develop cooperation with other key partners</b>
<b>Objective 1</b>	Ensure cooperation with EU Member States not participating in the establishment of the EPPO so there are no gaps in the protection of the EU's financial interests.	
<b>Objective 2</b>	Build operational cooperation with the authorities of third countries and international organisations.	

As regards non-participating Member States, the year 2023 was marked by important developments: the effective start of cooperation with Poland and Ireland, as well as the signature of a working arrangement with the Ministry of Justice of the Kingdom of Denmark to facilitate cooperation.

As regards non-EU countries, the EPPO focused on candidates to EU accession. The EPPO concluded working arrangements with the National Anti-Corruption Bureau of Ukraine,

the Albanian Special Anti-Corruption Structure and the Prosecutor's Office of Bosnia and Herzegovina.

European Prosecutors, European Delegated Prosecutors and Central Office staff delivered regional training on the EPPO's financial investigations and tools to prosecutors from all Western Balkan candidate countries in November 2023.

The EPPO's support to our colleagues in Ukraine resulted in meetings with the Ukrainian Prosecutor General's Office to implement the working arrangement signed in 2022, and a new partnership with the National Anti-Corruption Bureau of Ukraine (NABU). The European Chief Prosecutor attended the United for Justice Conference in March. The EPPO also organised two dedicated training courses for Ukrainian prosecutors and NABU's investigators in its premises, to share its expertise and present the EPPO's unique tools in conducting cross-border investigations.

Through new partnerships and awareness-raising in various international formats, the EPPO contributed to the fight against corruption. The EPPO became a member of the Global Operational Network of Anti-Corruption Law Enforcement Authorities (GlobE Network), having been designated in October 2022 as a competent authority for the application of the United Nation Convention against Corruption<sup>7</sup>. The EPPO contributed to OECD meetings and conferences, in particular the regional meeting held in Astana by the Anti-Corruption Network for Eastern Europe and Central Asia (ACN). The EPPO also attended the fifth International Corruption Hunters Alliance (ICHA) Forum, organised by the World Bank in Abidjan.

Based on its operational needs, and new fraud and money laundering trends, the EPPO focused on awareness-raising of its mandate and tools, in order to foster crime reporting and cooperation with new partners. The EPPO has also organised bilateral meetings with its counterparts from, among others, Liechtenstein, the People's Republic of China, Singapore, Switzerland, the United Kingdom and the United States of America.

The EPPO is participating in the European Multidisciplinary Platform Against Criminal Threats (EMPACT), and more specifically, in the operational action plans relevant to the EPPO's mandate: high-risk criminal networks, Missing Trader Intra-Community (MTIC) fraud and excise fraud, as well as Criminal Finances, Money Laundering and Asset Recovery (CFMLAR).

The EPPO, as an observer, attended the most recent CARIN Annual General Meeting, which took place in Brussels from 3 to 5 May 2023, with a particular focus on asset recovery as a policy objective. The EPPO's two contact points participated in several working groups, notably on virtual currency, post-conviction asset recovery and victims'

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<sup>7</sup> The EPPO was designated as a competent authority for the United Nations Convention against Corruption (UNCAC, 31 October 2003) and United Nations Convention against Transnational Organized Crime (UNTOC, 15 November 2000) in October 2022.

compensation. In 2023, the EPPO sent four requests for information to the relevant CARIN contact points.

In September, the EPPO was invited to take part in the 57th EU Financial Intelligence Units' Platform, hosted by the European Commission, to present its work and discuss potential avenues for cooperation between the FIUs and the EPPO in the fields of money laundering and asset recovery.

The EPPO became a member of the GlobE Network, and took part in the plenary meeting in July among anti-corruption law enforcement practitioners, with whom the EPPO can cooperate, on the basis of the United Nations Convention against Corruption. The EPPO attended, as an observer, the General Assembly of the European Partners against Corruption (EPAC) and the European contact-point network against corruption (EACN) in November. The EPPO, as an observer, attended the plenary meetings of the OECD Working Group on Bribery in International Business Transactions (WGB). Furthermore, the EPPO attended the meetings of the law enforcement officials (LEO) and the Global Network of Law Enforcement Practitioners against Transnational Bribery (GLEN) in June and December. The EPPO participated in the 13th Anti-Corruption Network for Eastern Europe and Central Asia (ACN) – Law Enforcement Network (LEN) regional meeting in Astana in September.

The EPPO also participated in OECD Taskforce on Tax and Crime (TFTC) plenary meetings and in the 6th OECD Forum on Tax and Crime in December 2023. The EPPO, as an observer, participated in plenary meetings of the Committee of Experts on the Operation of the European Conventions on Co-operation in Criminal Matters (PC-OC).

Based on mutual assistance provided to the EPPO in its investigations by parties to the 1959 Convention and its additional protocols, the EPPO is recognised as a competent authority by their large majority. The negotiation of a new binding legal instrument regarding the application of the 1959 European Convention on Mutual Assistance in Criminal Matters (1959 Convention) on the relations with the EPPO, supported by some members, was considered not feasible.

Three European Judicial Network (EJN) contact points at the EPPO have been designated, as decided by EJN National Correspondents in October 2023. The EPPO will participate in the next EJN meetings.

The EPPO welcomed two EJTN study visits to its premises, which gave judges and prosecutors from all over Europe the chance to learn more about the EPPO. The EPPO deployed European Prosecutors, European Delegated Prosecutors and Central Office staff as trainers to EJTN and CEPOL training courses.

<b>Activity 2.3</b>	<b>Contribute to the shaping of the anti-fraud strategy of the Union</b>
<b>Objective 1</b>	Enhance the involvement and added value of the EPPO in the EU anti-fraud system.

The EPPO has deepened its own knowledge of fraud patterns and trends. It has built on the Commission Anti-Fraud Strategy (CAFS) data and analysis to inform its investigative and prosecutorial strategies, policies and priorities, and has shared experience and expertise gathered during its operations – including reviews of recurrent typologies of ongoing criminality related to PIF offences, new trends, risks and vulnerabilities – in relevant strategic meetings with its institutional partners.

### Action area: Administrative Governance

<b>Activity 3.1</b>	
<b>Optimise administrative management functions to deliver services required by the EPPO's operations and provide assurance on effectiveness, efficiency, legality and regularity in the use of resources made available to the EPPO</b>	
<b>Objective 1</b>	Maintain a high level of posts' occupancy, while continuing to build an increasingly specialised, stable and continuously high engagement level EPPO workforce in its different components. This includes transforming the EPPO's central office staffing by relying on the requested larger share of temporary agents within a stable number of statutory staff.
<b>Objective 2</b>	Build and spread, within EPPO central office staff and its core partners, knowledge and expertise required for mid-term sustainability of the EPPO's operations. This will include, but not be limited to, joint-training initiatives and academic cooperation (including a traineeship scheme).
<b>Objective 3</b>	Maintain and dynamically adapt the services and tools available to EPPO staff (central office and decentralised offices) to operate from safe and secure premises. For the 2023 period, emphasis would be to broaden the services' scope and specify/maintain pre-defined service levels to match the developing EPPO operations.
<b>Objective 4</b>	Develop further and adapt, based on the recommendations of the first internal audits on the matter, the variety of systems and sources of information ('building blocks of assurance') available to the Authorising Officer to issue a credible Declaration of Assurance or substantiate eventual reservations. The orientations on this will be defined during 2023 and build on the capacity established through the 2022 recruitment of an Internal Control Officer and a Planning and Monitoring Officer.
<b>Objective 5</b>	Reinforce the resilience of the EPPO purchase framework by reducing reliance on negotiated procedures and gradually growing the EPPO's acquisition of its own set of framework contracts. A gradual reduction of recourse to services providers (including the European Commission's and PMO's, as well as those of market operators) resulting from the internal capacity build-up in 2023 is expected.

The EPPO's priority in 2023 remained the recruitment, on-boarding and deployment of Central Office staff in Luxembourg and of European Delegated Prosecutors in the 22

participating Member States. By 31 December 2023, the EPPO had concluded 24 selection procedures, recruited and on-boarded 45 additional staff compared to 2022. During 2023, 8 new European Prosecutors and 35 European Delegated Prosecutors were appointed.

In 2023, the EPPO's HR unit launched the second reclassification procedure, based on the comparative examination of merits within each grade of the temporary and contract agents eligible for reclassification. The reclassification exercise brought 26 staff members to the first step of the next-higher grade of their function group.

The year 2023 saw the launch of the EPPO's Learning and Development Strategy, consolidating a continuous learning approach. Compulsory courses were provided to all newly recruited staff during 2023 in the areas of safety and security, the EPPO's Code of Good Administrative Behaviour, anti-fraud measures, ethics and integrity principles, and the protection of sensitive information, amongst others. Specific training programmes for European Prosecutors and European Delegated Prosecutors were also deployed. 1058 programs (representing 1143 days of training, internal and external) were processed by the Learning and Development team in total.

In 2023, the EPPO launched the EPPO Academy training programme. In this regard, the EPPO signed working arrangements with Italy's Financial Police (Guardia di Finanza), the European Judicial Training Network (EJTN) and the European Union Agency for Law Enforcement Training (CEPOL).

In order to work on cross-border economic investigations, which are mainly connected to organised crime, the EPPO – as a transnational prosecution office – needs the support of highly skilled and dedicated investigators in every participating Member State. Primarily in cooperation with the Guardia di Finanza, the EPPO plans to hold, at the Economic-Financial Police School of the Guardia di Finanza in Rome-Lido di Ostia, courses for financial investigators. They will be trained, in an international environment, on PIF crimes and the peculiarities of working on investigations for the EPPO.

As a way to promote harmonisation in the impact of the decentralised operations, several initiatives were deployed for European Delegated Prosecutors: five workshops were organised at the central office and 15 further professional development training courses were provided by a consortium between the Academy of European Law and the European Judicial Training Network (all on diverse topics). In addition, 14 training sessions were delivered on various elements of the information system and operations standards and processes (open as well to all Operations personnel).

A traineeships programme was launched for the first time in 2023, leading to the on-boarding of four EPPO trainees. A study visit programme (involving streamlined establishment of agreements for faster exchange with educational institutions) was outlined, to be launched in 2024.

The EPPO occupies part of a building provided rent-free by the host state. In 2023, a new building management company was on-boarded, in cooperation with the host state, supporting the delivery of the EPPO's activities in the Central Office. Following refurbishment works carried out by the host state, the EPPO started to occupy two additional floors in its current premises, which were equipped with new furniture, IT equipment and other facilities. In order to address further business and security needs for its premises, the EPPO and the host state initiated, in 2023, a project called 'Phase IV', which includes the refurbishment of the remaining floors, as well as the improvement of security measures at the EPPO's Central Office. The EPPO signed a new Service Level Agreement with the European Parliament for shuttle bus services between Luxembourg and Brussels.

In 2023, the EPPO focused on enhancing its security governance. With regard to the security of the digital systems used for the handling of operational and administrative data, the EPPO prepared a framework including new processes, roles and responsibilities and policies documenting the required security controls. In addition, several risk assessments were carried out to assess the security framework of the digital systems used by the EPPO for the handling of administrative data. They supported the implementation of additional technical and governance measures to enhance the EPPO's security environment.

From a cybersecurity perspective, a 'red team exercise' was carried out with the support of CERT-EU – the Computer Security Incident Response Team of all EU institutions, bodies, offices and agencies – aimed at testing the security incident response processes. This exercise allowed the EPPO to identify improvement areas, update existing processes and maintain user awareness. Equally, from a security awareness perspective, in 2023 multiple information and cyber security sessions were carried out for EPPO personnel to ensure alertness to the latest threats that might impact EPPO information or systems.

Regarding security coordination and outreach, the EPPO completed, in 2023, the set-up of security contact points in all participating Member States. This is aimed at facilitating enhanced cooperation on security matters, in relation to staff and EPPO offices located in those Member States. The EPPO also continued to participate in the Cybersecurity subgroup of the Inter-institutional Committee for Digital Transformation (ICDT) and prepare its readiness for the EU's new Cybersecurity Regulation 2023/2841, which was adopted by the European Parliament and the Council of the EU at the end of the reporting period.

In the context of physical and personnel security, the EPPO, in cooperation with the Central Office's host state, Luxembourg, carried out several updates to improve the security and safety of its premises, with similar ones expected in 2024. This was



complemented by specialised training for EPPO staff, to increase preparedness for responding to urgent situations.

In the scope of the gradual build-up of an EPPO business continuity plan, significant progress was made towards the implementation of a backup data centre and the deployment of an associated disaster recovery scenario. The construction works were completed. The backup data centre room was completed, and the installation of hardware devices commenced.

In 2023, the EPPO continued to build up the services' frameworks, to deliver assurance of efficiency, legality and regularity in the use of its resources. The EPPO has adopted and continues to implement the Internal Control Framework of the Commission, to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes. The EPPO's risk-based management framework (including risk registers and internal control-driven assurance framework) has also been deployed. To further develop the EPPO's assurance framework, the IAS initiated, in 2023, a limited review of the EPPO's building blocks of assurance. This engagement is scheduled to be finalised during the course of 2024 and provide orientations and recommendations to the EPPO to build a stronger capacity for the Authorising Officer to issue a credible Declaration of Assurance.

The EPPO has developed its own purchase capacity, resulting from its own specifically run procurement processes launched in 2023 or initiated in 2022, and manages its own specific contracts and order forms in the implementation of existing framework contracts that were signed in 2023. The EPPO continues, in parallel, to operate with the purchase capacity of goods and services through Service Level Agreements with other IBOAs, and by joining inter-institutional contracts with varied market operators.

<b>Activity 3.2 Efficiently use IT and communication capabilities to support the EPPO's operational and strategic goals</b>	
<b>Objective 1</b>	Continuous development and deployment of incremental improvement of the CMS ecosystem, including analytical capabilities, in line with the requirements specified by users and prioritised by the programme steering committee, while considering the broader framework of the EU Digital Justice initiative.
<b>Objective 2</b>	Continuous development and deployment of standards and systems to improve the efficiency of administrative processes. More specifically, deployment of ARES as the EPPO administrative record and document management system, as a step to prepare for autonomy from the European Commission's digital services. This is



	<p>in order to progress in automation and standardisation of the validation and adoption processes for administrative transactions. Development of process-based management framework, service-level based services framework and document and records management system.</p>
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The EPPO's IT, Security and Corporate Services unit continued, in 2023, the implementation of its two already ongoing major programmes: the IT Autonomy Programme, to offer a complete catalogue of administrative IT services fully managed internally, and the Case Management System (CMS) Programme, to further develop the digitalisation of the organisation in its core business area.

In 2023 the EPPO continued to prepare to gradually transition from a digital workplace provided by the European Commission's Directorate-General for Digital Services (DIGIT) to an EPPO-owned and operated solution. The resources needed to implement this important and necessary change, though they were included in the EPPO's budget request for 2023, were not granted by the EU Budgetary Authority. In 2023, DG DIGIT announced the termination of their provision of services to the EPPO by the end of 2024, resulting in a significant risk to the continuity of the EPPO operations. Negotiations with the relevant services of the EC were launched to seek a solution.

The CMS Programme's objective during 2023 was to further develop the EPPO's digital tools to effectively and efficiently support prosecution operations, with a particular focus on enhancing and maturing the resilience, availability and adaptability of its components to the changing business needs of the organisation.

From a technological perspective, the core underlying platform of the CMS had a major software upgrade, and additional security controls are implemented on a continuous basis to maintain a high level of security of systems and data.

In the first quarter, the College prioritised the urgent need for additional analytical tools to allow efficient investigation work on major EPPO cases. New capabilities have been deployed and embedded in the analytical processes, to support ongoing cases. While the first set of tools remains limited, it allowed for the improvement of internal knowledge, and the development of a roadmap of business needs for long-term digital forensics and analytical systems.

The various projects related to interoperability with EU Member States and EU institutions, bodies, offices and agencies, initially targeted to deliver pilot implementations, could not be deployed as expected, due to a lack of budget and resources.

More efficient support for prosecution operations was developed via a pilot project, to be extended in 2024, to connect the National European Delegated Prosecutors' Assistants

(NEDPAs) to the EPPO CMS. This is with a view to unburdening the European Delegated Prosecutors of administrative tasks and creating the basis for more accuracy of case data between national case management systems and the EPPO CMS. Other support tools for collaboration on case files and casework data have been introduced, or new features developed, and integrated with automatic machine translation, or digital signature components.

## Part IIa: Management

### 2.1: Major developments

During 2023, the College met 22 times and adopted 73 decisions. In this period, the College adopted its Anti-fraud Strategy 2023-2025<sup>8</sup>, the anti-harassment policy for staff<sup>9</sup> and for Members of the College or European Delegated Prosecutors<sup>10</sup>.

With the benefit of operational experience, the College amended decisions it had previously made, regarding: the EPPO's amended financial rules, adopted in 2021, in order to progress in the implementation of Article 31 of the EPPO Regulation related to cross-border investigations, in accordance with the Commission Decision C(2023) 1143 final of 15 February 2023<sup>11</sup>; rules concerning the processing of personal data by the EPPO<sup>12</sup>; and the Conditions of Employment of the European Delegated Prosecutors (CEEDP)<sup>13</sup>.

As appointing authority, the College appointed a new Deputy European Chief Prosecutor (DECP)<sup>14</sup> and renewed the mandate period of the other DECP<sup>15</sup>. It also appointed European Delegated Prosecutors in Bulgaria, Croatia, Czechia, Estonia, France, Germany, Greece, Italy, Lithuania, Portugal, Romania and Spain<sup>16</sup>, and the EPPO's Digital Steering Board<sup>17</sup>.

The College adopted the Draft Budget 2024<sup>18</sup>, the Draft Single Programming Document for the period of 2024–2026<sup>19</sup>, the EPPO's 2022 Consolidated Annual Activity Report

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<sup>8</sup> College Decision 013/2023 of 1 March 2023 on the adoption of the European Public Prosecutor's Office Anti-Fraud Strategy.

<sup>9</sup> College Decision 047/2023 of 5 July 2023 on the European Public Prosecutor's Office (EPPO) policy on protecting the dignity of the person and preventing psychological harassment and sexual harassment.

<sup>10</sup> College Decision 048/2023 of 5 July 2023 laying down the rules applicable in a formal procedure for harassment involving Members of the College or European Delegated Prosecutors .

<sup>11</sup> College Decision 023/2023 of 19 April 2023 amending the Decision 002/2021 of 13 January 2021 of the College of the EPPO on the financial rules applicable to the European Public Prosecutor's Office.

<sup>12</sup> College Decision 037/2023 of 7 June 2023 amending the Decision 009/2020 of the College of the European Public Prosecutor's Office of 28 October 2020 on rules concerning the processing of personal data by the European Public Prosecutor's Office.

<sup>13</sup> College Decision 007/2023 of 22 February 2023 Amending and Supplementing the College Decision 001/2020 of 29 September 2020 laying down rules on conditions of employment of the European Delegated Prosecutors, as Amended and Supplemented by College Decisions 017/2021 and 103/2021.

<sup>14</sup> College Decision 044/2023 of 28 June 2023 appointing Mr Petr Klement as Deputy European Chief Prosecutor.

<sup>15</sup> College Decision 053/2023 of 12 July 2023 on the renewal of the mandate period of a Deputy European Chief Prosecutor.

<sup>16</sup> These Appointment Decisions are published on the EPPO's website.

<sup>17</sup> College Decision 065/2023 of 18 October 2023 establishing the Digital Steering Board.

<sup>18</sup> College Decision 004/2023 of 30 January 2023 on the European Public Prosecutor's Office ('EPPO') provisional draft estimates of revenue and expenditure for the year 2024.

<sup>19</sup> College Decision 003/2023 of 30 January on the adoption of the preliminary draft of the Single Programming Document of the European Public Prosecutor's Office for the period 2024–2026.

(CAAR)<sup>20</sup> and the EPPO's Single Programming Documents for the periods 2022–2024<sup>21</sup> and 2023–2025<sup>22</sup>.

The European Chief Prosecutor, in consultation with the College of the EPPO, decided on the EPPO's new organisational chart<sup>23</sup>, with the necessary adjustments for the growing size and maturity of the EPPO, more than two years after the start of its operations. The new organisational chart further clarified the roles and responsibilities of the EPPO's organisational components and the corresponding reporting lines for the day-to-day management of the units, sectors and teams at the EPPO's central office.

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<sup>20</sup> College Decision 043/2023 of 21 June 2023 on the assessment and adoption of the 2022 Consolidated Annual Activity Report of the authorising officer of the European Public Prosecutor's Office.

<sup>21</sup> College Decision 011/2023 of 1 March 2023 on the adoption of the Single Programming Document of the European Public Prosecutor's Office for the period 2022-2024.

<sup>22</sup> College Decision 012/2023 of 1 March 2023 on the adoption of the Single Programming Document of the European Public Prosecutor's Office for the period 2023-2025.

<sup>23</sup> Decision No 118/2023 of the European Chief Prosecutor on the Organizational Chart of the European Public Prosecutor's Office.

## 2.2: Budgetary and financial management

### Overview

The EPPO's final budget in 2023 amounted to €65 996 394 in commitment and payment appropriations<sup>24</sup> (C1, appropriations voted for the current exercise) in the form of an EU subsidy. It was implemented under the responsibility of the Administrative Director, as per Article 19(3) of the EPPO Regulation<sup>25</sup>.

On 14 December 2022, the initial budget for 2023 to the amount of €65 496 394 in Commitments Appropriations and Payment Appropriations was adopted by the College<sup>26</sup>, as approved by the EU budgetary authority – this was 2.7% less than what was requested by the EPPO in its estimates for revenue and expenditure for 2023. In comparison with the previous year, the budget made available to the EPPO by the Budgetary Authority is higher by 14.7%.

The College adopted two amending budgets during 2023; the first amending budget<sup>27</sup> aimed at redistributing the funds to adapt to the dynamic observed and projected after the first months of implementation. Upon the EPPO's request in June 2023<sup>28</sup>, the budgetary authority agreed to reinforce, by €500 000, the EPPO's budget for 2023, with financial and human resources related to the essential enhancement of the EPPO's security capability<sup>29</sup> (€500 000 allocated to administrative ICT expenditures and 8 additional establishment plan posts).

The EPPO's implementation rate of current year's commitment appropriations (C1) reached 99.6%, in comparison with 98.1% in 2022. The payment rate of these commitments reached 85.7%, much higher than 78.1% in 2022.

In 2023, two budget transfers were adopted by the European Chief Prosecutor, on a proposal drawn up by the Administrative Director, and were notified to the College for information. The total transferred between titles amounts to €1.2 million.

The carry-over of payment appropriations from 2023 to 2024 (C8) amounted to €9 392 989, lower as compared to €10 969 680 from 2022 to 2023. Out of the total internal assigned revenue received in 2023 (€91 626), 100% was carried over to be used in 2024 (as C5, internal assigned revenue carried over).

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<sup>24</sup> Appropriations of the EPPO are non-differentiated; hence, commitment and payment appropriations for a given year are identical.  
<sup>25</sup> Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO').

<sup>26</sup> College Decision 049/2022 of 14 December 2022 adopting the EPPO's budget for the year 2023.

<sup>27</sup> College Decision 040/2023 of 21 June 2023 amending the Decision 049/022 of the College of the EPPO of 14 December 2022 on the adoption of the EPPO's budget for 2023.

<sup>28</sup> Decision of the College of the EPPO of 1 June 2023 on requesting additional revenue for 2023 for essential enhancement to EPPO security capability.

<sup>29</sup> College Decision 072/2023 of 22 November 2023 amending the Decision 040/2023 of the College of the EPPO of 21 June 2023 on the adoption of the EPPO's amending budget No 1 for the year 2023.

The cancellation rate of the previous year's payment appropriations (C8, automatic carry-forward) was at 15.2%, compared to 21.4% in 2022, reflecting lower-than estimated consumption of external service providers for administrative and operational ICT services, other administrative and operational ICT services and Title 1 expenditures, for which there is still a low level of predictability and accuracy due to the novel nature of the EPPO.

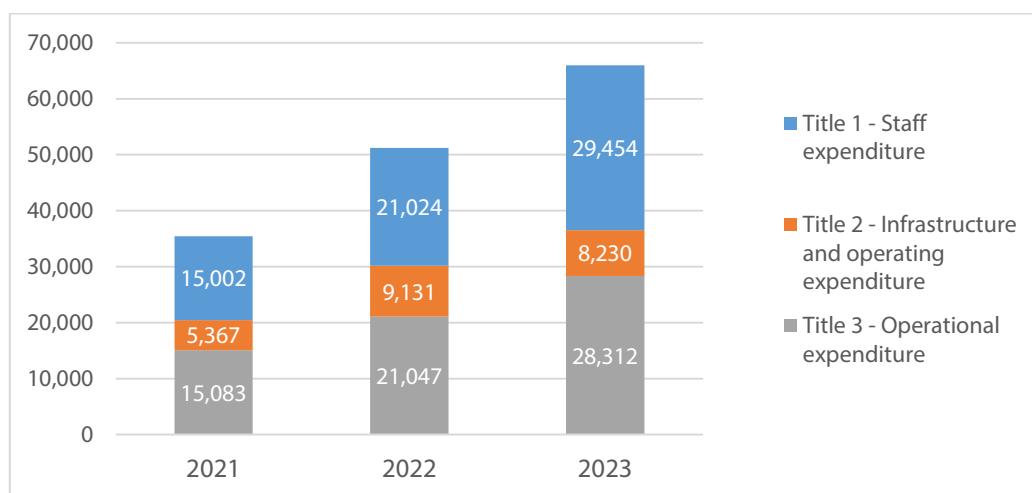


Figure 1: Final budget evolution per title (amounts in EUR thousands)

### Implementation in 2023 voted appropriations

Title	Final budget (EUR)	Committed (EUR)	Committed/final budget (%)	Paid (EUR)	Paid/committed (%)
Title 1	29 454 558	29 405 881	99.8%	28 964 719	98.5%
Title 2	8 229 761	8 164 464	99.2%	4 560 883	55.9%
Title 3	28 312 075	28 148 371	99.4%	22 800 124	81.0%
<b>Total</b>	<b>65 996 394</b>	<b>65 718 716</b>	<b>99.6%</b>	<b>56 325 726</b>	<b>85.7%</b>

Full details on the budgetary and financial data can be found in the EPPO's [Report on the budgetary and financial management 2023](#), which is enclosed.

### Procurement activities

In 2023 the following procedures were launched:

- 3 open procedures (above €140 000);
- 9 negotiated procedures for very low-value contracts (up to €15 000).

In addition, in 2023 the EPPO signed 234 specific contracts under existing framework contracts, for a total of more than €11 million, with a significant increase in the use of EPPO framework contracts (82 specific contracts for a value of more than €6.5 million). This is due, to a great extent, to the increasing use of the EPPO's framework contract for the Provision of Services in the Field of Information Systems.

Pursuant to Article 74(10) of Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 (the 'Financial Regulation'), the authorising officer shall record, for each financial year, contracts concluded by negotiated procedures in accordance with points (a) to (f) of point 11.1 of Annex I to the Financial Regulation (negotiated procedures without prior publication of a contract notice). In addition, if the trend shows an increase in the use of this type of procedures, the authorising officer shall report on measures taken to reverse that trend.

In 2023, the European Public Prosecutor's Office concluded the following contract, based on a negotiated procedure without prior publication of a contract notice:

Subject of the contract	Contract value (EUR)	Type of contract	Legal basis
EPPO Case Management System - Development Contract	2 998 265.00	Framework service contract	Point 11.1.(c) Annex 1 to the Financial Regulation

This is the first negotiated procedure under point 11.1 of Annex 1 to the Financial Regulation run by the EPPO since its establishment, and it was due to reasons of extreme urgency.

Regular measures are proposed or implemented by the Finance and Procurement Sector in cooperation with other Units and Sectors to limit the use of exceptional negotiated procedures when alternatives are available.

### 2.3: Delegation and sub-delegation

The College updated the delegation of powers to the Administrative Director to conclude contracts of employment in respect of some categories of temporary and contract staff of the EPPO<sup>30</sup>.

The Administrative Director has sub-delegated some of the powers delegated to the Administrative Director by the above-mentioned College Decision 005/2022<sup>31</sup> to the Head of the Human Resources Unit<sup>32</sup>.

The Administrative Director and authorising officer has delegated budget implementation powers to the Head of Human Resources Unit and to the Head of Unit for IT, Security & Corporate Services Unit<sup>33</sup>.

<sup>30</sup> College Decision 005/2022 delegating the powers of the appointing authority and the authority authorised to conclude contracts to the Administrative Director, and repealing decision 014/2021 of the college of the EPPO.

<sup>31</sup> Ibid.

<sup>32</sup> EPPO/2022/AD/004 sub-delegation of powers as appointing authority to the Head of Human Resource Unit of the EPPO.

<sup>33</sup> EPPO/2023/AD/078 delegation of budget implementation powers.

## **2.4: Human Resources management**

### ***2.4.1: Engagement and retention of top talent at Central Office***

In 2023, the EPPO reinforced its capacity to conclude timely and transparent recruitment procedures, in line with its establishment plan, concluding 24 selection procedures in 2023, on-boarding 45 statutory staff members and 8 new European Prosecutors who joined the College of the EPPO in 2023. An overall occupancy rate of 91%, and a turnover rate of 5.9% for temporary and contract agents, was registered.

A traineeship programme was launched for the first time in 2023, leading to the on-boarding of EPPO trainees in the Legal Service (two trainees per semester, a total of four trainees throughout the year).

### ***2.4.2: Upscaling provision of HR services to decentralised offices***

Throughout the year, increasing HR support was provided to the European Delegated Prosecutors, and to their conditions of employment. A dedicated HR business support function was established, seeking to boost the quality of the services provided by HR at the central and decentralised levels. 2023 saw the appointment of 35 new European Delegated Prosecutors.

### ***2.4.3: Fostering a culture of continuous learning and development***

The reporting period saw the launch of the EPPO's Learning and Development strategy, to promote a culture of continuous learning and facilitate a platform for the continuous assessment of, and adaptation to, the staff's evolving learning needs. Training in the fields of safety and security, the EPPO's code of good administrative behaviour, anti-fraud measures, ethics and integrity principles and the protection of sensitive information, among other topics, continued throughout the year. Specific training programmes were also organised, including media training for European Prosecutors, 'Press and Impress' training for European Delegated Prosecutors, and Protocol and Diplomacy training for staff.

Based on the analysis of individual development objectives and on identified operational demands, a pilot learning needs analysis was also carried out. In parallel, and as part of a broader future leadership development programme, an 'individual leaders' coaching programme was piloted. In 2023, the Learning and Development service registered a total of expressions of interest for training courses in connection with 1756 programs, of which, a total of 1058 were effectively completed, representing the coordination of 9132 hours, or 1143 days of training (for internal and external courses).



The performance management exercise (objectives setting and appraisal of 105 staff members, and of 91 probation period assessments) and the reclassification procedure (26 staff members reclassified) were efficiently concluded.

#### **2.4.4: Staff Committee**

2023 was the first full year of Staff Committee operations, encompassing actions such as the final adoption of its Internal Rules of Procedure, the launch of the first Staff Committee Open Day, its first formal meeting with the European Chief Prosecutor, and the launch of the first EPPO-wide Staff Survey, in seeking to better approach staff priorities.

Throughout the year, the Staff Committee nominated staff to participate in 24 selection procedures, acceded monitoring status to the Assembly of Agencies' Staff Committee (AACCS), performed and finalised the retroactive revision of all General Implementing Provisions adopted by the EPPO before the establishment of the Staff Committee, provided input on internal reorganisation, and actively participated on various organisational topics.

Representing the interests, rights and obligations of the EPPO staff, the Staff Committee provided input on the working time and hybrid working provisions, staff appointments, implementing rules and the improvement of working conditions. It also provided information sessions for staff on specific topics of general interest.

#### **2.4.5: Consolidation of HR compliance framework**

In 2023, the EPPO continued to reinforce its compliance framework, by adopting and implementing statutory obligations as established in the EU Staff Regulations and in the associated General Implementing Rules, for instance, in the area of hybrid working conditions. A total of 63 Implementing Rules were in adoption by the end of 2023. The ones adopted in 2023 can be found in Annex IV.

Efforts were also allocated on the administration of rights, obligations, employment contracts, and Article 90 complaints and appeals management. A reinforced HR service performance monitoring function was put in place, via the development and improvement of dedicated HR key performance indicator dashboards.

#### **2.4.6: Screening/benchmarking exercise**

In 2023, the EPPO continued to perform the screening and benchmarking of posts, following the EU bodies' methodology, which is based on the one applied by the European Commission. The results of this exercise can be found in Annex IV. It indicates the priority given in the build-up phase of the EPPO to use available human resources to focus on direct operational mission delivery.

#### **2.5: Strategy for efficiency gains**

In 2023, the fostering of efficiency has been done through the following steps:

Reviewing the budget's and activities' strategic and operational planning and monitoring processes to increase their ability to contribute to EPPO activities' strategic focus and to achieve sustained high implementation/absorption rate of available resources;

Adapting the budget implementation financial control environment to delegate and keep accountable actors deeper in the organisation, reducing administrative lead time and optimising investment decisions within pre-established envelopes.

Switching for lower risk financial transactions the balance between ex-ante and ex-post control, deploying ex-ante risks-profiled sampling check, completed by ex-post effectiveness assurance regular review.

Using inter-institutional procurement procedures or Service Level Agreements with EU IBOAs as the EPPO's standard goods/services acquisition method, so as to leverage on experience and weight of others, reduce costs, improve administrative efficiency, promote best practices, and cross-institutional benchmarking.

Introducing of a process-based control framework as a basis for optimisation of key processes, towards enhancing the organisational performance, service quality and cost-effectiveness.

Reviewing recruitment processes to gain in speed and acquired competence fit, while respecting principles of open and unbiased selection. Establishing mid-term human resources strategic planning to allow for the increased fulfilment of the establishment plan and addressing staffing gaps through hiring or professional growth. Establishing career paths and more specific job description frameworks to align staff with strategy and contribute to maintaining high staff engagement.

Improving the ICT infrastructure, increasing the resilience and facilitating day-to-day activities at the EPPO's Central Office. Teleworking measures and the availability of secure and resilient online platforms and tools have ensured business continuity. IT tools such as ARES for document management and electronic signatures and SYSPER for HR

management provide additional efficiency gains. Establishing dedicated governance for issues of strategic importance (e.g. the Digital Steering Board) so as to contribute to focus, coherence and delivery.

## **2.6: Assessment of audit and ex-post evaluation results during the reporting year**

### ***2.6.1: Internal Audit Service***

Pursuant to the EPPO's financial regulations, the Internal Audit Service (IAS) is the internal auditor of the EPPO for non-operational matters. In accordance with its mission charter and risk-based Strategic Internal Audit Plan for 2022–2024, the IAS initiated, in 2023, a limited review of the EPPO's building blocks of assurance. This engagement is scheduled to be finalised during the course of 2024.

### ***2.6.2: Internal Audit Capability***

The Internal Audit Capability (IAC) conducted a benchmarking exercise, comparing the deployed human resources of the EPPO with a set of other EU entities and national prosecution offices, against a standardised set of pillars: (i) Administrative support and coordination; (ii) Operational; and (iii) Resources resulting from 'being an EU Body' ("Neutral").

In 2023, the IAC continued its efforts to reinforce the internal oversight environment at the EPPO. The first internal audit of the IAC was an analysis of the working environment and internal controls of the EPPO's decentralised office in Sofia, Bulgaria.

### ***2.6.3: European Court of Auditors***

The ECA concluded that the EPPO's revenue and payments underlying the accounts for the year ending 31 December 2022 are legal and regular in all material respects, and the budget discharge was granted in May 2024. The European Court of Auditors (ECA) audit for the financial year 2023 is ongoing. The report is expected to be finalised in July 2024 and published in October 2024.

## **2.7: Follow-up of recommendations and action plans for audits and evaluations**

The ECA's report for the financial year 2022 included observations for the EPPO on its business continuity and business recovery plans, which the EPPO has taken into consideration. In the scope of the gradual build-up of an EPPO business continuity plan, significant progress was made towards the implementation of a backup data centre and

the deployment of an associated disaster recovery scenario. The construction works were completed. The backup data centre room was completed, and the installation of hardware devices commenced.

In 2023, the EPPO paid 99.1% of its payment requests within the legal time limits set in the EPPO's Financial Rules and contractual instruments, as compared to 94.5% in 2022, and there were no late interest payments to suppliers. The improvement dynamic of 2022 continued in 2023, with late payments representing only 0.9% of the total number of payments, compared to 5.5% in 2022 and 17% in 2021 (after the EPPO's financial autonomy).

## **2.8: Follow-up of recommendations issued following investigations by the European Anti-Fraud Office (OLAF)**

Not applicable in 2023.

## **2.9: Follow-up of observations from the discharge authority**

The discharge report for the year 2021 included observations for the EPPO on its business continuity and cybersecurity capacity, budget absorption capacity, digitalisation of financial management, and on its Key Performance Indicators.

The EPPO has acknowledged the observations and has taken steps towards improving its budget implementation and financial control environment, progressing in digitalisation of financial management and optimising internal procedures. The rate of budget execution over the final 2023 budget reached 99.61%.

The discharge report on budget year 2022, issued in April 2024, approved the closure of the accounts of the EPPO for the financial year 2022. The report highlights that it is important for the EPPO to:

- Put a system in place to monitor results, efficiency gains, time and cost savings;
- Establish complete business continuity and business recovery plans;
- Improve the gender balance in senior and middle management positions and adopt the charter on diversity and inclusion;
- Review the EDPs' selection and deployment environment towards increased attractiveness and simplicity;
- Harmonise current and future policies on inclusion, harassment and equality and periodically launch surveys among its staff;
- Develop its own cybersecurity capacity and improve physical security of the prosecutors;
- Encourage the use of sustainable mobility solutions in the EPPO's missions;

- Engage in better cooperation with other components of the Anti-Fraud Architecture, such as Eurojust and Europol, and further pursue coordination with Member States and cooperation with the relevant IBOAs, to avoid overlaps and duplication of activities;
- Adapt its human and financial resources to the growing workload and reflect them accordingly in the future budget planning;
- Enhance cooperation with Poland to protect the EU budget by means of criminal investigations and prosecutions, and engage in further dialogue and cooperation to facilitate the execution of the EPPO's activities.

## **2.10: Environmental management**

The EPPO's Central Office premises are provided as a service by the Luxembourg authorities and are operated to limit environmental impact. The EPPO follows general EU public administration policies, such as mission policies that are designed to limit recourse to means with disproportionately high environmental footprints.

In 2022 the EPPO took a series of steps towards environmental management in its Central Office premises, such as the introduction of waste separation and recycling bins. No plastic cups are being distributed at the EPPO, and water filtering machines have been installed on every floor. The EPPO has continued in 2023 to mainstream practices relied upon during the Covid-19 pandemic phase, such as the use of video-conferences instead of business-related travel, and increased online meetings and online interviews of candidates for selection procedures. The EPPO continued to use an electronic signature system through ARES to reduce paper use at the Central Office.

## **2.11: Assessment by management**

The EPPO conducts and commits to running its operations in compliance with applicable laws and regulations, in an open and transparent manner, and meeting the expected high level of professional and ethical standards.

## Part IIb: External evaluations

Not applicable in 2023.

## Part III: Assessment of the effectiveness of the internal control systems

### 3.1: Effectiveness of internal control systems

The EPPO ICF consists of 5 internal control components and 17 principles based on the COSO 2013 Internal Control-Integrated Framework<sup>34</sup>. The internal control components are the following:

1. Control environment;
2. Risk assessment;
3. Control activities;
4. Information and communication;
5. Monitoring activities.

These are the building blocks that underpin the framework's structure and support the EPPO in its efforts to achieve its objectives. Each component consists of several principles. Working with these principles helps to provide reasonable assurance that the organisation's objectives are met. The principles specify the actions required for internal control to be effective.

On 2 June 2023 the Administrative Director established via an Administrative Note<sup>35</sup> the minimum standards (assessment criteria) on each of the 17 internal control principles established by the EPPO ICF as building blocks of the EPPO's internal control system. Progress on these assessment criteria is being monitored and reported systemically, to provide the AD with reasonable assurance that the internal control environment in place is operating effectively and efficiently.

The 2023 internal controls' self-assessment is based on the following main sources of information:

- ✓ Assessment of the internal control indicators and the specific actions implemented by the EPPO contributing to each principle;
- ✓ Results of the deployment of the EPPO's Risk Management Policy;
- ✓ Analysis of registered exceptional transactions and non-compliance events that may reveal underlying deficiencies;
- ✓ Assessment of the deployment of the EPPO's Anti-fraud Strategy 2023-2025;
- ✓ Results of the ex-post controls.

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<sup>34</sup> Decision 2021.018 of the College of the European Public Prosecutor's Office of 24 March 2021 on the European Public Prosecutor's Office Internal Control Framework.

<sup>35</sup> REF: Ares(2023)3862848).

## Assessment of the internal control components

Out of 72 compliance criteria, 51 are observed as fulfilled, while for 20 some elements are in place but further development is desirable. Finally for 1 criterion no significant implementation has been noted:

1. **Control Environment:** A set of standards of conduct, processes, and structures have been established. The main ones still outstanding are the following:
  - Even though several guidelines exist, a dedicated Conflict of Interests framework for all diverse types of staff and collaborators has not yet been developed.
  - Even though whistleblowing guidelines have been issued by the College of the EPPO, a dedicated procedure for implementing the College guidelines has not yet been developed.
  - Ethics/anti-fraud contact point(s) among EPPO staff should be defined and communicated to all EPPO staff.
  - Development of a comprehensive set of job descriptions adapted to an EPPO-specific career system. It is considered that the system requires consolidated mid-term perspectives of the different kinds of operations, which are being gradually established in this initial phase of the EPPO's novel operating model. The job description remains the main reference point against which individual staff have been recruited.
  - A dedicated learning and development policy should be developed based on the L&D framework adopted by the EPPO.
  - Development of a succession plan, internal mobility and exit processes. As the EPPO is currently in its early phase, the succession, mobility and exit dimensions have not yet been further developed.
2. **Risk Assessment:** The EPPO is still progressing on:
  - Setting up KPIs with specific targets, due to its novel business model.
  - Identifying and quantifying risks, as this process requires experience in business processes.

Finally, a dedicated change management policy has not yet been developed: Due to the exploratory phase of its mission deployment, most evolutions are short-term, and priority has been given to correct assumptions that do not materialise. Thus, the capacity for long-term planning is gradually growing, including managing changes.
3. **Control Activities:** The EPPO has progressed in setting up its control activities, which provide a level of assurance that risks are mitigated and objectives are met. The main outstanding items are the following:
  - Key processes, critical for business continuity, have been analysed with professional support, and the acceptable standards for the most critical processes have been hypothesised. However, due to limited resources, the Business

Continuity Plan has not yet been reviewed, accepted and tested at EPPO level. Further progress on the matter depends on the availability of resources.

- The EPPO has not yet fully deployed its IT governance and strategic framework. The main focus has been on protecting and facilitating the work of operational data, therefore implementing governance arrangements only for its core operational IT system.
4. **Information and Communication:** With the growing maturity of the EPPO's organisational setup, the development of its external and internal communication setup is ongoing. More specifically, awareness-raising of the EPPO's ethical framework, considering the seriousness of the reputational risk universe that the EPPO operates within, requires further development.
  5. **Monitoring Activities:** With the ongoing deployment of the Internal Control Framework, the EPPO's monitoring activities have been developed and a system has been put in place in order to ensure that findings are assessed and deficiencies are communicated and corrected in a timely manner.

Since its College adoption on 24 March 2021, the deployment of the EPPO's Internal Control Framework is progressing. More specifically, 71% of the adopted ICF assessment criteria have been successfully implemented and are functioning, whereas additional effort needs to be made for the full implementation of the remaining 29%.

### EPPO Risk Management policy deployment

On 12 May 2021, the College adopted the EPPO's Risk Management Policy,<sup>36</sup> which was deployed for the first time in 2021, capturing in a dedicated risk register every individual manager's self-assessment of the risk universe of their more immediate activities (risk description, risk likelihood, risk impact), and the mitigating controls they put in place.

Since its adoption, the EPPO Risk Management Policy has been implemented in 2021-2022 mostly through a more basic methodology, capturing every individual manager's self-assessment of their more immediate activities' risk universe and mitigating controls they put in place.

With the growing maturity of the EPPO's organisational setup, the 2023 Risk Management Policy deployment drew more value by:

- ✓ Supporting strategic and operational management decisions with a more mid-term perspective.
- ✓ Providing useful information for establishing appropriate control environment and deployment strategies.

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<sup>36</sup> Decision 2021.043 of the College of the European Public Prosecutor's Office of 12 May 2021 on the European Public Prosecutor's Office Risk Management Policy.



- ✓ Better identifying and managing cross-cutting risks affecting several units / sectors with a longer-term perspective.
- ✓ Reinforcing the credibility of the EPPO's claims regarding resources, and capacity to deliver on its action plan.

From February to May 2023 the EPPO ICO organised meetings and workshops with all concerned Heads of Unit/Sectors in order to identify and assess (based on agreed criteria) the most important risks (including fraud risks) affecting their activities. The results of this effort are summarised in the EPPO risk register, and were reported to the Administrative Director on 20 October 2023.

In total, 74 key risks were identified and validated by the concerned Heads of Unit/Sectors. From those key risks, 30% (22) were evaluated as 'High Risks', 55% (41) were evaluated as 'Medium Risks' and 15% (11) were evaluated as 'Low Risks'.

### **Exceptional transactions and non-compliance events**

The EPPO's Policy on reporting and seeking clearance on exceptions and non-compliance events was firstly adopted on 18 October 2021 and further updated on 29 June 2023<sup>37</sup>. This policy provides a detailed description of the procedure to be followed when reporting and registering exceptions and non-compliance events.

All exceptional transactions and non-compliance events are documented in a dedicated register, which is monitored by the Internal Control Officer who analyses their causes, and proposes measures to remedy, if a systemic weakness of the internal control appears.

During 2023, 1 exceptional transaction and 4 non-compliance events were registered: one of very low risk, two of low risk and two of moderate risk. All exceptions were individually assessed, and corrective measures to prevent their repetition were proposed. Where applicable, procedures were adjusted. The events registered were immaterial (below the materiality threshold of 2%), and do not indicate a systemic weakness of internal controls; therefore, there is no reason to issue a reservation.

### **EPPO Anti-fraud Strategy 2023-2025 deployment**

On 1 March 2023, the College of the EPPO updated the Anti-fraud Strategy 2023-2025<sup>38</sup>, as per the requirements set by the EPPO Regulation and the EPPO's Financial Rules.

The Anti-fraud Strategy of the EPPO sets the objectives to counter fraud at all levels of the organisation. The objectives are linked to a dedicated action plan that contributes to its achievement. This action plan is part of the EPPO's internal control environment, and should be monitored on a regular basis (at least annually).

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<sup>37</sup> Decision EPPO/2023/AD/182 of the EPPO Administrative Director of 29 June 2023.

<sup>38</sup> College Decision 013/2023 of 1 March 2023 on the adoption of the European Public Prosecutor's Office Anti-Fraud Strategy 2023-25.

The Internal Control Officer collected evidence (e.g. policies, procedures, records), as per request from the relevant stakeholders, and performed a detailed review in order to draw conclusions on the implementation status of the action plan and KPIs linked with the Anti-fraud Strategy 2023-2025 objectives as of 31 December 2023. The results of this review were presented to the Administrative Director via a dedicated Note on 2 February 2024<sup>39</sup>.

### Results of the ex-post controls

In line with its Financial Regulation (Art. 45(8) and 45(9)<sup>40</sup>), the EPPO needs to ensure a high-quality level of the financial transactions and procurement procedures.

Ex-post controls were carried out on financial transactions (payments, commitments and recovery orders) and on procurement procedures covering the period **01/01/2023** to **31/12/2023**, as per the Administrative Director's Decision of 11 October 2021 on the EPPO's Policy on ex-post controls.

The sample selection methodology as well as the ex-post controls calendar were validated by the Administrative Director based in a proposal made by the Internal Control Officer via a dedicated Note on 2 March 2023<sup>41</sup>.

The overall ex-post control results were satisfactory, except for some minor issues that were detected of low risk level.

### 3.2: Conclusions of the assessment of internal control systems

Overall, taking into account that during the past year the EPPO has further progressed in implementing the components of the internal control framework, it is judged that the internal control systems are effective overall, with some improvements needed in the areas outlined in Section 3.1.

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<sup>39</sup> Ref: ARES(2024)796612-02/02/2024.

<sup>40</sup> Art.45(8) 'The authorising officer may put in place ex post controls to detect and correct errors and irregularities of operations after they have been authorized. Such controls may be organised on a sample basis according to risk and shall take account of the results of prior controls as well as cost-effectiveness and performance considerations.'

Art. 45(9) 'The ex-post controls shall be carried out by staff other than those responsible for the ex-ante controls. The staff responsible for the ex-post controls shall not be subordinate to the members of staff responsible for the ex-ante controls. The ex-post controls may take the form of financial audits at the premises of the beneficiaries. The rules and modalities, including timeframes, for carrying out audits of the beneficiaries shall be clear, consistent and transparent, and shall be made available when signing the grant agreement.'

<sup>41</sup> Ref: ARES(2023)1518364-02/03/2023.

### **3.3: Statement of the manager in charge of risk management and internal control**

*I, the undersigned, Paraskevi Magkra,*

*Senior Internal Control Officer in charge of risk management and internal control within the EPPO,*

*In my capacity as manager in charge of risk management and internal control, I declare that in accordance with the EPPO's Internal Control Framework, I have reported my advice and recommendations on the overall state of internal control in the EPPO to the acting Administrative Director.*

*I hereby certify that the information provided in the present Consolidated Annual Activity Report and in its annexes is, to the best of my knowledge, accurate, reliable and complete.*

*Place: Luxembourg*

*Date: 12/06/2024*

*Paraskevi Magkra*

Senior Internal Control Officer



## Part IV: Management assurance

### 4.1: Review of the elements supporting assurance

The administrative internal control environment of the EPPO is organised based on the 'Three Lines of Defence', or 'Building Blocks of Assurance' model. This model distinguishes between the following functions involved in the effective implementation of internal control and risk management within the EPPO:

1. First Line of Defence: The EPPO functions that own and manage internal control and risks.
2. Second Line of Defence: The EPPO functions that oversee internal control and risk management.
3. Third Line of Defence: The EPPO functions that provide independent assurance.

An additional fourth layer of defence, the 'Fourth Line of Defence', is the European Court of Auditors, whose mission is to independently audit the collection and spending of EU funds and, through this, to assess the way that the EU institutions discharge the internal control functions.

The EPPO is still building up its internal control environment, facing strong constraints relevant to its ability to recruit and retain experienced human resources. This limits the EPPO's capacity to reduce the residual risk (not currently materialised) to an acceptable level, sufficient to give reasonable assurance on the use of resources made available to the EPPO for the performance of its mission.

### 4.2: Reservations

To date, there are no reservations or observations of a material nature (considering the materiality threshold of 2%), no critical risks have been identified and no major deficiencies have been reported or identified.

## Part V: Declaration of assurance

### Declaration of assurance

*I, the undersigned, Kristel Siitam-Nyiri,*

*Acting Administrative Director of the EPPO,*

*In my capacity as Authorising Officer,*

*Declare that the information contained in this report gives a true and fair view. I state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.*

*This reasonable assurance is based on my own judgment and on the information at my disposal, such as the results of the self-assessment, ex-post controls, and the lessons learnt from the report of the Court of Auditors for the years prior to the year of this declaration.*

*I confirm that I am not aware of anything not reported here which could harm the interests of the EPPO.*

*Place: Luxembourg    Date: 12/06/2024*



*Kristel SIITAM-NYIRI Acting Administrative Director*

## **Annexes**

Annex I: Core business statistics

Annex II: Statistics on financial management

Annex III. Organisational chart

Annex IV: Establishment plan and additional information on Human Resources management

Annex V: Human and financial resources by activity

Annex VI: Contribution, grant and Service Level Agreements. Financial framework partnership agreements

Annex VII: Environmental management

Annex VIII: Final annual accounts

## Annex I: Core business statistics, 2023

Source: as published in the [EPPO Annual Report 2023](#)

### OPERATIONAL ACTIVITY

DATA VALID ON 31 DECEMBER 2023



### RECEIVED REPORTS/COMPLAINTS

From EU institutions, bodies, offices and agencies	<b>108</b>	From private parties	<b>2 494</b>
From national authorities	<b>1 562</b>	Ex officio	<b>23</b>
<b>TOTAL</b>			<b>4 187</b>




## JUDICIAL ACTIVITY IN CRIMINAL CASES

	Ongoing cases in the trial phase	155
	Number of first court decisions	67
	Number of appeals against first court decisions	9
	Number of ongoing cases in the appeal phase	10
	Number of final court decisions	54 <sup>B</sup>
	Number of extraordinary legal remedies against court decisions	0
	Convictions	48
	Acquittals	5

## TYPOLOGIES IDENTIFIED IN ACTIVE EPPO CASES<sup>B</sup>

NUMBER OF INVESTIGATED OFFENCES BROKEN DOWN BY TYPE

	<b>1 486</b>		<b>379</b>		<b>209</b>
Non-procurement expenditure fraud	33.92%	Procurement expenditure fraud	8.65%	PIF crime-focused criminal organisation	4.77%
	<b>405</b>		<b>873</b>		<b>131</b>
Non-VAT revenue fraud	9.24%	VAT revenue fraud	19.93%	Corruption	2.99%
	<b>72</b>		<b>226</b>		<b>599</b>
Misappropriation	1.64%	Money laundering	5.16%	Inextricably linked offence	13.67%

## ACTIVE FUNDING FRAUD INVESTIGATIONS

BROKEN DOWN BY PROGRAMME

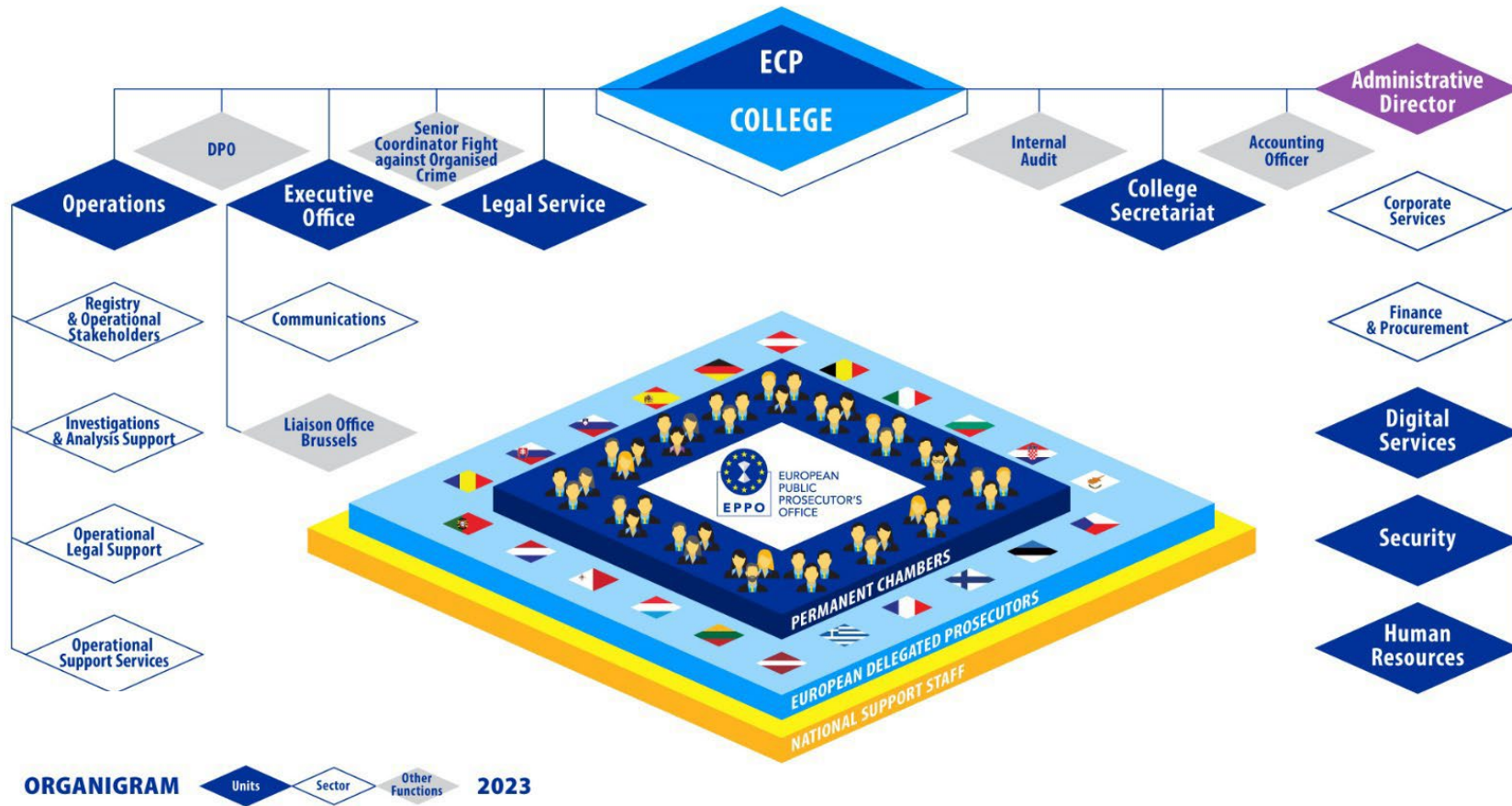
Agricultural and rural development programmes	<b>319</b>	Climate and environment programmes	<b>5</b>
Maritime and fisheries programmes	<b>30</b>	Recovery and resilience programmes	<b>233</b>
International cooperation programmes	<b>17</b>	Mobility and transport, energy and digitalisation programmes	<b>8</b>
Regional and urban development programmes	<b>313</b>	Asylum, migration and integration programmes	<b>7</b>
Education and culture-related programmes	<b>17</b>	Industry, entrepreneurship and SME programmes	<b>7</b>
Research and innovation programmes	<b>25</b>	Security and defence programmes	<b>4</b>
Employment, social cohesion, inclusion and values programmes	<b>101</b>	Other programmes/doubt cases	<b>263</b>



## **Annex II: Statistics on financial management, 2023**

Information on statistics on financial management can be found in the [EPPO's Report on the budgetary and financial management 2023](#).

### Annex III: Organisational chart



## Annex IV: Additional information on Human Resources management

### Establishment Plan

Function group and grade	Authorised in budget 2023	Actually filled as of 31/12	Function group and grade	Authorised in budget 2023	Actually filled as of 31/12
	Temporary posts	Temporary posts		Temporary posts	Temporary posts
AD 16	0	0	AST 7	0	0
AD 15	1	1	AST 6	3	2
AD 14	1	1	AST 5	13	2
AD 13	23	23	AST 4	25	28
AD 12	3	1	AST 3	6	14
AD 11	2	1	AST 2	0	0
AD 10	9	10	AST 1	0	0
AD 9	8	3	AST TOTAL	49	46
AD 8	17	11	AST/SC 6	0	0
AD 7	40	31	AST/SC 5	0	0
AD 6	33	35	AST/SC 4	0	0
AD 5	9	16	AST/SC 3	1	1
AD TOTAL	146	133	AST/SC 2	3	3
AST 11	0	0	AST/SC 1	0	0
AST 10	0	0	AST/SC TOTAL	4	4
AST 9	1	0	TOTAL	199	183
AST 8	1	0	GRAND TOTAL	199	183

### External personnel

#### Contract Agents

Contract agents	Authorised budget 2023	Headcount as of 31/12/2023
Function Group IV	14	7
Function Group III	14	20
Function Group II	0	1
Function Group I	0	0
TOTAL	28	28

#### Seconded National Experts

Seconded National Experts	Authorised budget 2023	Headcount as of 31/12/2023
TOTAL	29	24

**Table 1: Information on the entry-level recruitment grade/function group for each type of post**

Key functions	Type of contract	Function group, grade of recruitment	Function dedicated to administrative support or operations
European Chief Prosecutor	TA	AD15	Operational
Deputy European Chief Prosecutor/European Prosecutor	TA	AD13	Operational
Administrative Director	TA	AD14	Administrative Support & Coordination
Adviser	TA	AD13	Operational
Head of Unit	TA	AD9–10	Administrative Support & Coordination, Operational
Head of Sector	TA	AD7–AD9	Administrative Support & Coordination, Operational, Neutral
Principal Officer	TA	AD7–AD9	Administrative Support & Coordination, Operational, Neutral
Senior Officer	TA	AD6–AD7	Administrative Support & Coordination, Operational, Neutral
Officer	TA	AD5	Administrative Support & Coordination, Operational, Neutral
Senior Assistant	TA	AST 4–9	Administrative Support & Coordination, Operational, Neutral
Assistant	TA	AST 1–3	Administrative Support & Coordination, Operational, Neutral

Secretary/Clerk	TA	SC 1–6	Operational
Officer	CA	FG IV	Administrative Support & Coordination, Operational, Neutral
Assistant	CA	FG II–III	Administrative Support & Coordination, Operational, Neutral
<b>Special Functions</b>			
Internal Audit Capability	TA	AD8	Administrative Support, Operational
Senior Internal Control Officer	TA	AD6	Administrative Support & Coordination
Senior Planning, Monitoring and Quality Officer	TA	AD6	Administrative Support & Coordination
European Delegated Prosecutors			Operational
Seconded National Experts			Operational

Table 2: Information on benchmarking exercises where applicable, in 2023

Job Type (sub) category		Total FTE	(of which) EDPs	%
<b>A - Administrative Support and Coordination</b>		<b>41</b>		<b>10.3%</b>
	A1 - Administrative Support (6)	16		3.9%
	A2 - Coordination	25		6.1%
<b>B - Operational</b>		<b>336</b>	<b>140</b>	<b>85%</b>
	B1 - Top Level Operational Coordination	168		43.3%
	B2 - Programme Management & Implementation	96		24.7%
	B3 - Evaluation & Impact Assessment	0		0.0%
	B4 - General operational (6) (7)	72		18.6%
<b>C - Neutral</b>		<b>19</b>		<b>4.7%</b>
	C1 - Finance/Control	19		4.9%
	C2 - Linguistics	0		0.0%
<b>TOTAL</b>		<b>396</b>	<b>140</b>	<b>100%</b>

## Information on the list of Human Resources' Implementing Rules adopted in 2023

The EPPO adopted the following implementing rules in 2023:

- Adopted by analogy by the College of the EPPO
  - College Decision 2022.050 applying by analogy the Commission Decision C(2022) 1788 on Working Time and Hybrid Working Rules (applicable to the EPPO Central Office).
  
- Adopted by the College of the EPPO by derogation of a Commission Decision:
  - EPPO College Decision 2021.047, on the EPPO policy on protecting the dignity of the person and preventing psychological harassment and sexual harassment.
  - EPPO College Decision 2021.048, laying down the rules applicable in a formal procedure for harassment involving members of the College or European Delegated Prosecutors.
  
- Adopted by the Administrative Director:
  - Decision of the Administrative Director on the EPPO Policy on Hybrid Working for Temporary Agency Workers (Interim Staff)
  - Other decisions implementing guidelines and provisions associated to Implementing Rules, especially, in the field of telework and work conditions.
  
- Other rules already adopted by the College, which are not implementing rules to Staff Regulations:
  - Administrative Director Decision on the reimbursement of mission expenses for those other persons put at the disposal of the EPPO.

## Annex V: Human and financial resources by activity

	Central Office statutory staff	European Delegated Prosecutors	Total Statutory staff (%)	Financial resources
EPPO Prosecutions	175	140	79.56%	40 119 948
Administration	55	-	13.88%	17 947 355
Operations IT (CMS)	26	-	6.56%	7 929 192
<b>TOTAL</b>	<b>256</b>	<b>140</b>	<b>100%</b>	<b>65 996 495</b>

## Annex VI: Contribution, grant and Service Level Agreements. Financial framework partnership agreements

Service Level Agreements (and counterpart)	Date of signature	Duration
SLA European Commission Directorate-General for Budget (DG BUDG) (ABAC/Treasury services)	26/06/2020	Automatic renewal
SLA European Commission Directorate-General for Informatics (DG DIGIT) (including ICT procurement, network connectivity services, digital workspace services, Europa Web Platform services, Cloud brokering services, Security Assurance Vulnerability Assessment Services, EU Sign services, PM2 Agile consultancy, e-Procurement services)	19/06/2019	Automatic renewal
SLA European Commission Directorate-General for Informatics (DG DIGIT CERT-EU) (IT security support)	19/12/2019	Automatic renewal
SLA European Commission Directorate-General for Human Resources and Security (DG HR) (including SYSPER, talent management, health and wellbeing, security services, NDP personal files, legal affairs, HR reporting and analytics services)	27/03/2019	Automatic renewal
SLA European Commission Office for Infrastructure and Logistics, Luxembourg (OIL) (Building insurance, cleaning, maintenance, furniture, postal charges, etc.)	02/06/2020	Automatic renewal
SLA European Commission Paymaster Office (PMO) (Services rendered by the paymaster office)	20/12/2019	Automatic renewal
SLA European Personnel Selection Office (EPSO) and	01/04/2019	Automatic renewal

European School of Administration (EUSA) (assistance with a view to the selection of officials, temporary agents and contract agents)		
SLA EU Agencies Network (EUAN) and European Food Safety Authority (EFSA) (Shared Support Office)	20/10/2020	Indefinite duration
SLA European Observation Network for Territorial Development and Cohesion (ESPON) (badges/ access cards and permits, access to the building, safety training, etc.)	01/11/2021	Automatic renewal
SLA Publications Office of the EU (services in managing public information produced)	22/06/2021	Indefinite duration
SLA European Commission Directorate-General for Interpretation (DG SCIC) (interpretation services)	10/03/2022	Automatic renewal
SLA European Union Aviation Safety Agency (EASA) (support to EPPO HR function)	29/06/2022	31/03/2024
Contribution Agreement with the European Commission concerning the financing of the European Schools	30/11/2020	Indefinite duration
Headquarters Agreement with the Grand Duchy of Luxembourg (EPPO premises)	27/11/2020	Indefinite duration
Lease agreement with the Grand Duchy of Luxembourg	10/03/2022	31/12/2029
MoU with the Luxemburgish Government IT Centre (hosting of the EPPO's data centre)	11/03/2020	Indefinite duration
MoU with the Translation Centre for the Bodies of the European Union	11/11/2020	Automatic renewal
SLA European Parliament (EP shuttle services)	18/10/2023	Indefinite duration



## **Annex VII: Environmental management**

As described in the EPPO's 2023-2025 Single Programming Document, the EPPO's Central Office building is provided by the host state, which manages the environmental footprint of the building in line with local requirements. In addition, the EPPO's IT infrastructure is provided by DIGIT, and is managed in line with the European Commission's standards. Finally, the EPPO's data centre is located in a large commercial data centre managed by a commercial company, fully compliant with the environmental requirements in Luxembourg.

Specific actions by the EPPO have been taken in its Central Office premises, and involve the introduction of waste separation and recycling bins, the removal of plastic water cups and the installation of water filtering machines. The EPPO endorses measures such as reduced business-related travel and related CO<sub>2</sub> emissions, increased online meetings and online interviews of candidates for selection procedures. The EPPO has considerably reduced paper use in the Central Office through the extensive use of electronic paperless systems (i.e. ARES).

## **Annex VIII: Final annual accounts**

Enclosed.