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ANNEX

ANNEX

to the

Commission Implementing Decision

**on the financing of the Union Anti-Fraud Programme and the adoption of the work
programme for 2021**

ANNEX

1. INTRODUCTION

This is the first work programme that implements the Union Anti-Fraud Programme (the ‘UAFP’), established on the basis of Regulation (EU) 2021/785 of the European Parliament and of the Council of 29 April 2021¹ (the ‘UAFP Regulation’).

This work programme covers the year 2021.

The Commission adopts this work programme pursuant to Article 11 of the UAFP Regulation and in accordance with Article 110 of Regulation (EU, Euratom) 2018/1046² (the ‘Financial Regulation’). On that basis, this work programme sets out the priorities for funding in 2021, the objectives pursued, the expected results and the methods of implementation.

The work programme also responds to specific requirements arising out of the UAFP Regulation.

2. THE NEW UNION ANTI-FRAUD PROGRAMME

The UAFP is based on Articles 33 and 325 of the Treaty on the Functioning of the European Union (TFEU). It is established for a period of 7 years, from 2021 to 2027, in line with the multiannual financial framework laid down in Council Regulation (EU, Euratom) 2020/2093³. To implement the UAFP, the European Union (EU) has allocated EUR 181 207 000 in current prices for the period 2021-2027, and EUR 24 053 000 for 2021.

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

To achieve these general objectives, the UAFP also sets three **specific objectives**. The first specific objective is to prevent and combat fraud, corruption and any other illegal activities affecting the Union’s financial interests. The second specific objective is to provide tools for information exchange and support for operational activities in the field of mutual administrative assistance in customs and agricultural matters. The third specific objective is to support the reporting of irregularities, including fraud, found with the shared management funds and pre-accession assistance funds of the Union budget.

The UAFP brings together and streamlines Union financial support for protecting the Union’s financial interests, for mutual administrative assistance and cooperation in customs and agricultural matters, and for reporting irregularities. It does so with the intention of increasing synergies, fostering budgetary flexibility and simplifying management.

The UAFP is therefore **one programme with three components**, which are aligned with its specific objectives. Like the former Hercule III programme, a first component finances actions preventing and combating fraud, corruption and any other illegal activities affecting

¹ OJ L 172, 17.5.2021, p. 110-122.

² Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

³ Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027 (OJ L 433, 22.12.2020, p. 11).

the Union's financial interests, thus ensuring protection of taxpayers' money and the competitiveness of the Union's economy. A second component finances the Anti-Fraud Information System (AFIS) platform, thus contributing to the correct application of the law on customs and agricultural matters. A third component finances the Irregularity Management System (IMS) tool, thus supporting the reporting of data on irregularities and cases of fraud.

3. METHODS OF IMPLEMENTATION

Funding under the UAFP may take any of the forms laid down in the Financial Regulation, in particular **grants**, **procurement**, and the **reimbursement of travel and subsistence expenses**.

The disciplines of the Financial Regulation apply to the budget implemented under the UAFP. The implementation of the UAFP by means of **procurement** and **reimbursement of travel and subsistence expenses** is therefore subject to the applicable rules of the Financial Regulation, in particular Title VII and Article 238, respectively.

For **grants**, the UAFP Regulation sets out specific rules that apply in addition to those contained in Title VIII of the Financial Regulation. These additional specific rules apply in particular to eligible actions, eligible entities and co-financing rates.

Eligible actions implement the specific objectives of the UAFP. Actions that may be considered eligible for funding are actions that:

- provide technical knowledge, specialised and technically advanced equipment and effective IT tools leading to closer transnational and multidisciplinary cooperation and cooperation with the Commission;
- enhance staff exchanges for specific projects, ensure the necessary support and facilitate investigations by, in particular, setting up joint investigation teams and cross-border operations;
- provide technical and operational support to national investigations, in particular to customs and law enforcement authorities, in order to step up the fight against fraud and other illegal activities;
- build IT capacity in the Member States and third countries, increase data exchange and develop and provide IT tools for investigating and monitoring intelligence work;
- organise specialised training, risk analysis workshops, conferences and studies to improve cooperation and coordination between departments dealing with the protection of the Union's financial interests;
- provide support to the Secretariat of the World Health Organization Framework Convention on Tobacco Control (FCTC) in its functions related to the Protocol to Eliminate Illicit Trade in Tobacco Products and to other activities organised by the Secretariat in connection with the fight against illicit trade in tobacco products.

The UAFP Regulation identifies four categories of **eligible entities**:

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

least 1 year: (i) in a Member State; (ii) in a third country associated with the UAFP under the conditions specified in Article 4 of the UAFP Regulation; or (iii) in a third country not associated with the UAFP under the conditions specified in Article 10(3) of the UAFP Regulation;

- any legal entity created under Union law;
- any international organisation.

Pursuant to the UAFP Regulation, the **co-financing rate** for awarded grants may not exceed 80% of the eligible costs. The Commission will only grant funding in excess of that ceiling in exceptional and duly justified cases, as provided for in Sections 4.2.1.1 and 4.2.1.2 of this work programme. However, in no case can such funding exceed 90% of the eligible costs.

4. COMPONENT 1: PROTECTION OF THE UNION'S FINANCIAL INTERESTS

4.1. Aim and rationale

Responding to the COVID-19 pandemic crisis, the Union adopted the multiannual financial framework for the years 2021 to 2027 and a Recovery and Resilience Facility (RRF)⁴. With a total volume of EUR 1.8 trillion, this is the largest package ever financed through the EU budget. It is therefore more important than ever to protect this budget, which represents EU taxpayers' money, and ensure that it is collected and spent correctly. For what concerns expenditure, the UAFP should support Member States in the implementation of various types of budget management, including direct, indirect and shared management.

To achieve this objective, the EU has recently strengthened its anti-fraud architecture, which now features: (i) a European Anti-Fraud Office (OLAF) whose powers have been reinforced on the basis of Regulation 2020/2223⁵, (ii) the new investigative and prosecutorial powers of the European Public Prosecutor's Office (EPPO), (iii) the analytical capacity of the European Union Agency for Law Enforcement Cooperation (Europol), and (iv) the coordinating role of the European Union Agency for Criminal Justice Cooperation (Eurojust).

The UAFP complements this strengthened regulatory framework by offering support to Member States, which bear a joint responsibility with the Union to counter fraud and any other illegal activities affecting the Union's financial interests. To this effect, the first component of the UAFP allocates EUR 114 207 000 for the period 2021-2027, of which EUR 15 160 000 for 2021, to fund actions to fight fraud, corruption and any other illegal activities affecting the EU budget.

The UAFP is the main programme at EU level specifically designed for this purpose. The UAFP may act in synergy with other EU instruments providing technical support in the area of the fight against fraud and corruption, such as the Technical Support Instrument⁶.

The Commission will implement this first component of the UAFP by: (i) awarding grants following calls for proposals; (ii) concluding public procurement contracts following calls for

⁴ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17–75).

⁵ Regulation (EU, Euratom) 2020/2223 of the European Parliament and of the Council of 23 December 2020 amending Regulation (EU, Euratom) No 883/2013, as regards cooperation with the European Public Prosecutor's Office and the effectiveness of the European Anti-Fraud Office investigations (OJ L 437, 28.12.2020, p. 49–73).

⁶ Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument.

tender; (iii) entering into administrative arrangements with the Joint Research Centre (JRC); (iv) reimbursing costs incurred by representatives from eligible countries who participate in training and operational activities, and (v) offering targeted support to relevant international organisations actively helping to protect the Union's financial interests.

As stated in Section 2 of this work programme, to be eligible for funding, actions must implement the UAFP's objectives. Financial resources allocated to the UAFP are also intended to contribute to the corporate communication of the Union's political priorities, which relate to those objectives. Some of the actions financed under this component of the UAFP will therefore likely also help to deliver on the EU's current political priorities by preparing for the challenges and opportunities of the green and digital transitions and by making European economies and societies more resilient to shocks in the future.

Reflecting the importance of tackling climate change in accordance with the Union's commitments to implement the Paris Agreement adopted under the United Nations Framework Convention on Climate Change, and with the United Nations Sustainable Development Goals, the UAFP aims at contributing to mainstreaming climate actions and achieving an overall target of 30 % of Union budget supporting climate objectives.

To this end, the UAFP may for example better equip Member States to prevent the importation of certain illicit, climate-unfriendly products, thereby not only preventing infringements of the EU customs legislation, but also protecting the environment.

The UAFP can also provide support for the cooperation between customs and other competent authorities to fight certain fraudulent activities to the detriment of the environment, such as those related to waste shipments or illicit trade of endangered species.

The UAFP also strives to support Member States' digital transition, for instance by funding the acquisition of IT tools supporting data analysis to detect fraud affecting revenues or expenditures, and by continuing to build national expertise on digital forensics.

4.2. Eligible actions

4.2.1. Grants

About 73% of the 2021 budget allocated to the first component of the UAFP, or EUR 11 100 000, will be allocated to fund activities by awarding grants to prevent and combat fraud, corruption and any other illegal activities affecting the Union's financial interests.

The Commission plans to publish two calls for proposals for actions to be financed through grants in 2021. The first call will support projects to provide technical assistance to Member States' competent authorities. The second call will support projects involving the organisation of targeted specialised training courses, conferences, staff exchanges, research studies and knowledge dissemination. The Commission also plans to support one or more international organisation(s).

The Commission will examine each application on the basis of:

- **Admissibility criteria:** to be detailed in the call for proposals.
- **Eligibility criteria:**

- applications must be submitted by eligible entities as indicated in Section 3 of this work programme;
 - applications must be submitted for eligible actions, as indicated in Section 3 of this work programme;
 - only applications by single applicants are allowed;
 - project budgets are expected to comply with the minimum thresholds specified in the calls;
 - project duration should normally range between 12 and 24 months.
- **Financial and operational capacity and exclusion criteria:**
- applicants must have stable and sufficient financial resources to successfully implement the projects and contribute their share;
 - applicants must have the operational know-how, qualifications and resources to successfully implement the projects (including sufficient experience in projects of comparable size and nature);
 - verification of applicants' exclusion situation, as per Articles 136 and 141 of the Financial Regulation.
- **Award criteria:**
- added value for the protection of the Union's financial interests;
 - conformity with the UAFP's objectives;
 - quality - project design and implementation, methodology, allocation of resources, feasibility of planning and monitoring arrangements;
 - value for money – a sufficient and appropriate budget for proper implementation so that the expected long-term impact and results can be obtained.

To ensure that the best-quality applications receive funding, the technical specifications accompanying each call for proposals will indicate weightings for the award criteria, minimum score requirements for each criterion, as well as the minimum score requirement for the aggregate of the four award criteria scores.

4.2.1.1. Call for proposals for technical assistance

The Commission encourages national authorities to strengthen their investigative capability and capacity, which includes their digitalisation, in view of stepping up the fight against fraud, corruption and any other illegal activity affecting the European Union's financial interests, on both the revenue and expenditure sides.

The Commission will publish a specific call for proposals to support projects whose main purpose is to acquire specialised equipment, tools and data technologies. This call will include an accompanying training component on how to use the purchased equipment⁷. The overall indicative budget for this call is EUR 9 300 000.

The entities eligible to participate in this call will either be national or regional public authorities, as defined in Section 3 of this work programme and whose task is to protect the

⁷ All technical assistance applications should demonstrate a training component on how to use the purchased equipment.

Union's financial interests, or relevant international organisations. A public authority established in a third country that is not associated with the UAFP will not be eligible in 2021.

The co-financing rate for technical assistance grants will, in principle, not exceed 80% of eligible costs. It may be increased to a maximum of 90% in exceptional and duly justified cases, e.g. where Member States are exposed to a high risk in protecting the Union's financial interests. The following aspects of the proposed actions will be taken into account when considering the award of a 90% co-financing rate.

Actions should:

- reflect the findings of the annual reports on implementation of Article 325 TFEU on combating fraud, in particular the identification of the situations that are vulnerable and most exposed to threats in protecting the Union's financial interests;
- reflect the findings of the European Court of Auditors' Special Report 19/2017 on import procedures;
- relate to the implementation of the Commission communication of 6 June 2013 entitled 'Stepping up the fight against cigarette smuggling and other forms of illicit trade in tobacco products - A comprehensive EU Strategy'⁸; or
- relate to the implementation of the Commission communication of 29 April 2019 entitled 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget'⁹ and implementation of its accompanying action plan¹⁰.

The budget for an action for which a grant is requested should not be lower than the threshold indicated in the specifications accompanying the call for proposals. For technical assistance actions, the indicative threshold is EUR 100 000.

The Commission will support the following four categories of technical assistance actions in 2021. The expected results from the actions, together with the indicators enabling them and the added value and effective use of the co-financed technical equipment to be measured, are as follows:

- investigation and surveillance equipment and methods:

The purchase and maintenance of investigation and surveillance equipment and methods used by beneficiaries in the fight against irregularities, fraud and corruption, detrimental to the Union's financial interests. The purchase of adapted transport equipment, IT hardware and software and audio-visual equipment may be included, provided an applicant clearly demonstrates that the purchase helps to achieve the first specific objective of the UAFP. Specialised training to enable staff to operate these tools has to be planned as part of the action.

- digital forensic hardware:

The purchase and maintenance of digital forensic equipment and software, mobile forensic tools and computer forensic collaborative systems used in the fight against (fraudulent) irregularities, fraud and corruption detrimental to the Union's financial interests. Cross-border cooperation enabling the exchange of information and best practices, in particular at operational level, is strongly encouraged.

- data analytics technologies and data purchases:

⁸ COM(2013) 324 final.

⁹ COM(2019) 196 final.

¹⁰ SWD(2019) 170 final.

The purchase and maintenance of commercial specialised databases, data analysis platforms capable of running analysis in big data environments, risk and predictive analysis and data mining tools, as well as systems supported by artificial intelligence used in the fight against irregularities, fraudulent activities and corruption, detrimental to the Union's financial interests. These purchases include capacity building in Member States for developing, using and sharing databases and business intelligence tools. These purchases may also enable the acquisition of integrated packages, comprising for example hardware and software, access and training, including training for the 'Tobacco Tracking & Tracing' database.

Expected results for actions 1-3: Strengthening and improvement of beneficiaries' investigative and operational capacity, as measured, for example, by the number of successful operations carried out with the purchased products in support of investigations into activities detrimental to the Union's financial interests. This includes the number of arrests, convictions, seizures, confiscations, recoveries, prevented losses to the national and Union budgets, and fraud schemes uncovered.

– detection of illicit trade:

The purchase and maintenance of equipment to strengthen beneficiaries' operational and technical capacity to detect smuggled and counterfeited goods, including cigarettes and tobacco, imported into the Union with the intention of evading VAT, customs duties and/or excise taxes.

Expected result: Strengthening and improvement of beneficiaries' (in particular, customs authorities') technical capacity to carry out verifications of trucks, containers and (other) vehicles, as measured by the number of verifications and 'hits' following the use of the equipment.

In order to avoid any duplication in Union support, the UAFP targets its support at the acquisition of types of equipment that do not fall under the scope of the envisaged Union instrument for financial support for customs control equipment, or for equipment for which the beneficiaries are authorities other than the authorities targeted by that Union instrument. The Commission will consider the potential overlap while evaluating the coherence and added value of a proposal for the protection of the Union's financial interests.

4.2.1.2. Call for proposals for training, conferences, staff exchanges and studies

The Commission encourages transnational and multidisciplinary cooperation, exchanges of knowledge and best practices, and the creation of networks between national authorities as well as between practitioners and academics involved in protecting the Union's financial interests. The Commission also aims at further raising the awareness of the judiciary and other branches of the legal profession to protect the Union's financial interests.

The Commission will publish a specific call for proposals to provide financial support for training, conferences, seminars, studies, webinars and e-learning activities. The overall indicative budget for this call is EUR 1 600 000.

The entities eligible for this call will be all the entities defined in Section 3 of this work programme. However, a public authority established in a third country that is not associated with the EU will not be eligible in 2021, with the exception of public authorities established in countries participating in Joint Customs Operations (co-) organised by the EU, provided this is relevant for implementing such operations. Moreover, research or educational institutes or non-profit making entities in third countries that are not associated with the UAFP will not be eligible in 2021.

The co-financing rate for training grants will, in principle, not exceed 80% of eligible costs. It may be increased to a maximum of 90% in exceptional and duly justified cases, e.g. where actions are undertaken by scientific and/or research organisations specifically created to promote studies in European criminal law, to support the creation of networks in this area and geared towards protecting the Union's financial interests. Moreover, these exceptional and duly justified cases may also encompass those referred to in Section 4.2.1.1.

The budget for an action for which a grant is requested should not be lower than the threshold indicated in the specifications accompanying the call for proposals. For training actions, the indicative threshold is EUR 40 000. However, such an indicative threshold does not apply to staff exchanges.

The Commission will support the following four groups of training actions in 2021:

– specialised training sessions:

Developing specialised training sessions to improve investigation and data analysis abilities through the acquisition of new skills and knowledge of specialised methodologies and techniques.

– conferences, workshops and seminars:

Organising conferences, workshops and seminars and creating networks and structural platforms between Member States, candidate countries, other third countries, EU institutions and international organisations in order to:

- facilitate the exchange of information, experience and best practices, including in the field of data analysis;
- create networks and improve coordination between Member States, candidate countries, other third countries, EU institutions and international organisations;
- facilitate multi-disciplinary cooperation between anti-fraud practitioners and academics on protecting the Union's financial interests and raise the awareness of the judiciary and other legal professionals of this matter.

– staff exchanges:

Organising staff exchanges between national and regional administrations (including candidate and neighbouring countries) to help to further develop, improve and update staff's skills and competences in protecting the Union's financial interests.

Expected results for actions 1-3: Professionals are better able to protect the Union's financial interests through the acquisition of new skills, knowledge of specialised methodologies and techniques as well as an increased awareness of fraud risk indicators and the Union's anti-fraud policy priorities. An increased networking and exchanging of best practices opportunities are expected.

The aspects that will be analysed to measure these results will include the number of events and number of participants, their origin and professional background, and the level of participants' overall satisfaction with the events.

– comparative law studies and periodical publications:

Developing relevant high-profile research, including studies in comparative law. Disseminating relevant information through periodical publications.

Expected result: The development of high-profile research, including comparative law studies, as measured by the number of research activities and comparative law

studies co-financed and their quality and originality. The dissemination activities should make the judiciary and other branches of the legal profession more aware of the issue of protecting the Union's financial interests.

This will be measured by the number of scientific publications distributed to stakeholders and the type and number of methods of dissemination of relevant scientific knowledge.

The Commission invites the applicants to explore certain indicative priority areas, including:

- EU and national measures to support the new anti-fraud landscape against the background of the establishment of the EPPO and the revision of the OLAF legal framework;
- cooperation between EU bodies involved in protecting the Union's financial interests (e.g. OLAF, EPPO, Eurojust, Europol), and cooperation of these bodies with national and third country authorities;
- OLAF's revised framework for investigations, with special reference to the exercise and enforcement of its powers, its cooperation with national partners, the operation of the AFCOS in Member States, the evidential value of OLAF's reports, or the follow-up by relevant national authorities;
- the fight against revenue fraud, including customs data analysis and new challenges in the field (e.g. e-commerce);
- protection of the EU internal market against counterfeits, tobacco smuggling and goods dangerous for health, security or the environment – border protection, customs cooperation and exchange of information;
- research on fraud and irregularities in EU funds in the area of migration and refugees, as well as humanitarian and external aid;
- the fight against fraud in EU funds in the areas of environment, climate and food security ('Green Deal' related actions);
- emerging challenges in the fight against expenditure fraud in the context of the new MFF and new instruments such as the Recovery and Resilience Facility;
- assessment of the scale, nature and causes of fraud affecting the EU budget, and methodologies for the assessment;
- national and EU anti-fraud strategies and comparisons of the relevant frameworks of different Member States;
- effectiveness of controls and the development of cost-effective approaches, including determining fraud risks and comparing control strategies, in selected areas (e.g. research and innovation, environment, cohesion, agriculture, as well as in the sector of public budget support);
- the protection of the Union budget in the case of breaches of the principles of the rule of law in the Member States.

4.2.1.3. Operating grant to FCTC Secretariat

The Union has made the fight against cross border illicit trade in tobacco products a priority because of the revenue losses caused by such trade to Union and national budgets. In this context, the Commission adopted a comprehensive strategy in 2013 and a second action plan

in 2018¹¹. A key pillar of that strategy is to engage on this issue at the multilateral level through the ‘Protocol to Eliminate Illicit Trade in Tobacco Products to the World Health Organization Framework Convention on Tobacco Control’ (the ‘Protocol’), which the Union ratified in 2016. The parties to the Protocol organise its implementation through two-year work plans.

The Commission supports the Protocol’s implementation, including the activities of the Secretariat of the World Health Organisation Framework Convention on Tobacco Control in its functions related to the Protocol and other activities, and may award an operating grant to this effect.

The overall indicative budget for this operating grant is a lump sum of EUR 200 000. In addition, the UAFP should also support other activities organised by the Secretariat in connection with the fight against illicit trade in tobacco products.

The eligible entity is the FCTC Secretariat of the World Health Organization Framework Convention on Tobacco Control, consistently with Section 3 of this work programme. The Commission may award an operating grant based on a work plan that defines priorities and activities of the beneficiary for the duration of the budgetary year concerned.

Expected result: Support the implementation of the Protocol work plan endorsed by the parties to the Protocol.

4.2.2. Procurement

About 27% of the 2021 budget allocated to the first component of the UAFP, or an amount of EUR 4 060 000, will be allocated to fund activities by concluding procurement contracts linked to protection of the Union’s financial interests.

The Commission will conclude specific contracts under existing framework contracts for technical assistance, training actions and other actions. The Commission may launch calls for tenders in 2021 for the purchase of access to databases, training activities or technical equipment. The purchased equipment and services will be made available to UAFP beneficiaries.

4.2.2.1. Procured conferences/training

The Commission will organise conferences and specialised training focused on protecting the Union’s financial interests. The issues to be addressed by these activities include: the fight against the illicit tobacco trade, illicit imports, cooperation between OLAF and its operational partners, and protection of the Union's financial interests in third countries.

The Commission will use the services of a firm specialised in organising events, by means of specific agreements under an existing framework contract concluded in 2020. The total indicative available budget for procured conferences is EUR 700 000.

4.2.2.2. Digital forensic and analyst training

The Commission will organise specialised training sessions in order to:

- support the training of staff in national and regional administrations, with a view to protecting the Union’s financial interests by developing, improving and updating their competence in the area of digital forensics and forensic analysis;
- support the initiation of a quality assurance process and a certification procedure to enable computer forensic experts to develop, improve and update their skills and competences;

¹¹ COM(2018)final of 7.12.2018.

- support a network of digital forensic and analyst experts specialised in protecting the EU's financial interests, to promote the exchange of best practices;
- strengthen joint capacities in customs data analysis.

The Commission will use the services of firms specialised in organising training events under existing framework contracts. The indicative available budget for digital forensic and analyst training is EUR 1 800 000.

4.2.2.3. Databases and tools

For the access to databases and tools, the Commission may:

- purchase such access by means of specific contracts within framework contracts already concluded by Eurostat for company and trade data, if best suited to concrete operational needs;
- conclude a specific contract for the provision of information on vessel information and movement under the framework contract concluded in 2020;
- purchase, by means of procurement, traceability devices for illicitly traded products;
- launch a call for tender to award a framework contract for the provision of information on trade data, cargo manifests and/or company data and possibly on other types of information needed by UAFP beneficiaries in the Member States.

OLAF will be managing the access rights purchased for all mentioned databases.

The overall indicative available budget for this action is EUR 1 000 000.

4.2.2.4. Administrative arrangements

An administrative arrangement (AA) was signed with the Joint Research Centre (JRC) in December 2020 (covering 2021-2023) to provide scientific and technical support to OLAF and Member States in the area of customs anti-fraud data analysis.

The new AA will continue:

- the Automated Monitoring Tool project of 2016 which provides statistics and IT tools for data analysis and data-mining;
- the project on data analysis for customs anti-fraud activities, started in 2018.

OLAF will sign a specific AA with the JRC to carry out chemical analyses of samples from tobacco and cigarette seizures in the Member States (the so-called 'TOBLAB project').

JRC activities may also include support with the relevant training, workshops and seminars for Member State officials.

The total indicative budget for the JRC administrative arrangements is EUR 560 000.

4.2.2.5. Procured studies

The Commission will not conclude any procurement contracts for studies under this component in 2021.

5. COMPONENT 2: THE ANTI-FRAUD INFORMATION SYSTEM (AFIS) PLATFORM

5.1. Aim and rationale

The second component of the UAFP finances the Anti-Fraud Information System (AFIS) platform, thus contributing to the correct application of the law on customs and agricultural matters.

Through this component, the UAFP allocates EUR 60 000 000 for the period 2021-2027, of which EUR 7 964 000 for 2021, to provide tools for information exchange and support for operational activities in the field of mutual administrative assistance in customs and agricultural matters.

However, from this budget allocation, an amount of EUR 2 775 704.46 has already been committed under Commission Decision C(2021)2120 of 7 April 2021 on the interim financing of the Anti-Fraud Information System and the adoption of its work programme for 2021¹². That Decision will be repealed with effect from 17 May 2021 (the day on which the Regulation establishing the UAFP entered into force), whilst not affecting the actions initiated pursuant to that Decision.

For 2021, this therefore leaves an available budget of EUR 5 188 295.54 for the present AFIS work programme.

The Anti-Fraud Information System is an umbrella term for a set of anti-fraud IT applications operated by OLAF under a common technical infrastructure whose aim is the timely and secure exchange of fraud-related information between the competent national and EU administrations, as well as the storage and analysis of relevant data. The AFIS Portal has more than 8 500 registered end-users in nearly 1 400 competent services from Member States, partner third countries, international organisations, the Commission and other EU institutions. The AFIS Portal enables substantial economies of scale and synergies in developing, maintaining and operating such a wide and diverse set of IT services and tools.

The AFIS programme supports mutual assistance in customs with collaboration tools, such as VOCU (Virtual Operations Coordination Unit) used for joint customs operations, secure web mail (AFIS Mail), specific information exchange modules and databases, such as CIS (Customs Information System) and FIDE (Customs Investigation Files Identification Database), the Container Status Messages (CSM) directory and the Import, Export and Transit (IET) directory, data analysis tools, such as AMT (Automated Monitoring Tool), and electronic workflow applications, such as ToSMA (Tobacco Seizures Management Application).

The main legal basis for the operation of the AFIS platform is Council Regulation (EC) No 515/97 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters¹³. The second component of the UAFP will also cover the expenditure incurred to use the CIS provided for in instruments adopted under Article 87 TFEU, and in particular in Decision 2009/917/JHA, given that those instruments state that such expenditure is to be borne by the general budget of the Union.

OLAF will directly implement the budget, except for eligible action 5.2.4 which will be implemented through a co-delegation with the Directorate-General for Taxation and Customs Union.

¹² Commission Decision C(2021)2120 of 7 April 2021 on the interim financing of the Anti-Fraud Information System and the adoption of the work programme for 2021.

¹³ Council Regulation (EC) No 515/97 of 13 March 1997 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters (OJ L 82, 22.3.1997, p. 1).

5.2. Eligible actions

The amount in the budget reserved for procurement contracts in 2021 is EUR 5 188 295,54. References below to the ‘total indicative available budget’ reflect the combined budget available under Commission Decision C(2021)2120 of 7 April 2021 and the present Decision.

5.2.1. IT studies, development and maintenance

The Commission will procure IT studies as well as development and maintenance services for the AFIS platform, for the applications to lend mutual assistance in customs matters, and for the applications to manage irregularities.

To this effect, the Commission will sign specific contracts under suitable framework contracts concluded by the Directorate-General for Informatics or under equivalent framework contracts.

The indicative number of specific contracts under existing framework contracts that the Commission plans to enter into is 50.

For IT studies, development and maintenance, there is a total indicative available budget of EUR 3 200 000.

5.2.2. Production services

The Commission will procure production (information and communications technology infrastructure and application management and operations as well as user support) services for the AFIS platform applications to provide mutual assistance in customs matters and for the irregularities management applications.

To this effect, the Commission will sign specific contracts under suitable framework contracts concluded by the Directorate General for Informatics or equivalent framework contracts.

The indicative number of specific contracts under existing framework contracts that the Commission plans to enter into is 50.

The total indicative available budget for production services is EUR 2 600 000.

5.2.3. Technical assistance, training, coordination and quality control services

The Commission will procure technical assistance, training, coordination and quality control services for developing and operating the AFIS platform, providing mutual assistance in customs matters, including joint customs operations, and managing irregularities.

To this effect, the Commission will sign specific contracts under suitable framework contracts concluded by OLAF or equivalent framework contracts. The Commission will also reimburse transport, accommodation and daily allowance costs to cover the participation of experts from national administrations in meetings, conferences, workshops, training courses or other events related to the areas specified above.

The indicative number of specific contracts under existing framework contracts that the Commission plans to enter into is 20.

The total indicative available budget for technical assistance, training, coordination and quality control services is EUR 722 000.

5.2.4. Technical assistance, coordination and provision of IT services for the Directorate-General for Taxation and Customs Union (DG TAXUD)

Based on Article 18d of amended Regulation (EC) No 515/97, import, export and transit data in the 'Import Export and Transit' (IET) directory has to be replicated systematically from information systems operated by DG TAXUD.

DG TAXUD will provide technical assistance, coordination and IT services to replicate its data in the IET directory.

The Commission will sign specific service contracts under suitable framework contracts concluded by DG TAXUD or equivalent framework contracts.

The indicative number of specific service contracts under existing framework contracts that the DG TAXUD plans to enter into is 2.

The total indicative available budget for technical assistance, training, coordination and quality control services is EUR 154 000.

5.2.5. Use and maintenance of the Common Communication Network (CCN)

OLAF will cover the costs arising out of the use by AFIS of the Common Communication Network (CCN) operated by DG TAXUD and contribute to the maintenance of the CCN.

OLAF will enter into an administrative arrangement with DG TAXUD for the financing of the AFIS part of the costs for the use and maintenance of the CCN.

The total indicative available budget for the use and maintenance of the Common Communication Network is EUR 98 279.40.

5.2.6. Acquisition, maintenance and updating of various types of software, hardware and related IT services

The Commission will ensure procurement for the acquisition, maintenance and updating of various types of software, hardware and related IT services for the AFIS programme, such as:

- tools for development, testing, support, security, database systems;
- servers and storage equipment, telecommunications equipment and lines, testing equipment, security equipment (i.e. firewalls, encryption devices, network intrusion detection and prevention systems);
- other relevant software, hardware and related IT services.

The Commission will sign specific contracts under suitable framework contracts concluded by the Directorate-General for Informatics or equivalent framework contracts.

The indicative number of specific contracts under existing framework contracts that the Commission plans to enter into is 60.

The total indicative available budget for the acquisition, maintenance and updating of various types of software, hardware and related IT services is EUR 1 189 720.60.

IT procurement choices will be subject to pre-approval by the European Commission Information Technology and Cybersecurity Board, as appropriate.

6. COMPONENT 3: THE IRREGULARITY MANAGEMENT SYSTEM (IMS) TOOL

6.1. Aim and rationale

The third component of the UAFP finances the ‘Irregularity Management System’ (IMS) tool, thus supporting the reporting of data on irregularities and cases of fraud.

Through this component, the UAFP allocates EUR 7 000 000 for the period 2021-2027, and EUR 929 000 for 2021, to support the reporting of irregularities, including fraud, with the shared management funds and pre-accession assistance funds of the Union budget.

Union legislation which sets out rules for the European Agricultural Guarantee Fund, the European Agricultural Fund for Rural Development, the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Maritime and Fisheries Fund, the Asylum, Migration and Integration Fund and the Instrument for financial support for police cooperation, preventing and combating crime and crisis management, the Fund for European Aid to the Most Deprived, as well as for the pre-accession assistance for the programming period 2014-2020 and onwards, stipulates that Member States, candidate countries, potential candidates and third countries have the obligation to report irregularities and fraud affecting the Union’s financial interests.

The IMS is a secure electronic communications tool, which helps Member States, as well as candidate countries and potential candidates, to fulfil this obligation to report detected irregularities and helps to manage and analyse the reported data.

6.2. Eligible actions

The Commission will implement the UAFP funding for 2021 dedicated to the IMS by concluding specific procurement contracts, either within the framework contracts it has already concluded, or by launching calls for tender.

6.2.1. Procured study

The Commission will carry out a study to identify the technical requirements and features necessary to upgrade the IMS, so that it remains a performant, user-friendly and state-of-the-art tool in line with technological developments.

The Commission will use the services of an external contractor. The total indicative available budget for the procured study is EUR 150 000.

6.2.2. Development of the IMS

The Commission will further develop the current IMS with the aim of introducing features that the users have deemed necessary in the past years and that could not be introduced earlier.

The Commission will use the services of an external contractor. The total indicative available budget for the procured development of the IMS is EUR 306 000.

6.2.3. Maintenance, support and training

The Commission will use the services of an external contractor to ensure the maintenance (including hardware and software) of the IMS, to resolve existing or new issues related to it, and to ensure that it remains fully operational.

The Commission will also use the services of an external contractor to support and train the users of the IMS.

The total indicative available budget for the maintenance, support and training related to IMS is EUR 473 000.