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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 2023**

ANNEX

1. INTRODUCTION

This is the third work programme that implements the Union anti-fraud programme (the ‘UAFP’), drawn up on the basis of Regulation (EU) 2021/785 of the European Parliament and of the Council¹ (the ‘UAFP Regulation’).

This work programme covers the year 2023.

The Commission adopts this work programme pursuant to Article 11 of the UAFP Regulation and in accordance with Article 110 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council² (the ‘Financial Regulation’). On that basis, this work programme sets out the priorities for funding in 2023, 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 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 in operation 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 Union has allocated EUR 181 207 000 in current prices for the period 2021-2027, and EUR 24 850 000 for 2023.

The UAFP pursues two **general objectives**. Firstly, it aims to protect the financial interests of the Union. Secondly, it aims to promote mutual assistance between the administrative authorities of the Member States and cooperation between these administrative authorities and the Commission to ensure that the law on customs and agricultural matters is correctly applied.

To achieve these general objectives, the UAFP sets three **specific objectives**. Firstly, it aims to prevent and combat fraud, corruption and any other illegal activities affecting the financial interests of the Union. Secondly, it aims to provide tools for information exchange and support to operational activities in the field of mutual administrative assistance in customs and agricultural matters. Thirdly, it aims to support the reporting of irregularities, including fraud, found in the shared-management funds and pre-accession assistance funds of the Union budget.

The UAFP brings together and streamlines EU financial support for: (a) protecting the financial interests of the Union; (b) mutual administrative assistance and cooperation in customs and agricultural matters; and (c) reporting irregularities. It does this to increase

¹ Regulation (EU) 2021/785 of the European Parliament and of the Council establishing the Union Anti-Fraud Programme and repealing Regulation (EU) No 250/2014 (OJ L 172, 17.5.2021, p. 110).

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).

synergies, foster budgetary flexibility, and simplify 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 to prevent and combat fraud, corruption and any other illegal activities affecting the financial interests of the Union, thus protecting taxpayers' money and the competitiveness of the economy of the Union. A second component finances the actions carried out in accordance with Council Regulation (EC) No 515/97⁴ including the Anti-Fraud Information System (AFIS), 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, membership fees** for international bodies, and the **reimbursement of travel and subsistence expenses**.

The requirements 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 (covering procurement) and Article 238 (covering the reimbursement of travel and subsistence expenses) thereof.

For **membership fees**, the requirements of Title XII (covering other budget implementation instruments) of the Financial Regulation apply.

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

Eligible actions must implement the specific objectives of the UAFP. Actions that may be considered eligible for funding under this work programme are actions that:

- (a) provide technical knowledge, specialised and technically advanced equipment, and effective IT tools leading to closer transnational and multidisciplinary cooperation and cooperation with the Commission;
- (b) enhance staff exchanges for specific projects, ensure the necessary support for these exchanges, and facilitate investigations, in particular by setting up joint investigation teams and cross-border operations;
- (c) provide technical and operational support to national investigations, in particular to customs and law-enforcement authorities, to step up the fight against fraud and other illegal activities;
- (d) 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;
- (e) organise specialised training, anti-fraud analysis workshops, conferences, and studies to improve cooperation and coordination between departments dealing with the protection of the financial interests of the Union;

⁴ 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).

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

- (a) public authorities that can help to achieve a UAFP objective and that are established:
 - (i) in a Member State or an overseas country or territory;
 - (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 but listed in the work programme, under the conditions specified in Article 10(3) of the UAFP Regulation;
- (b) 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 but listed in the work programme, under the conditions specified in Article 10(3) of the UAFP Regulation;
- (c) any legal entity created under EU law; or,
- (d) any international organisation as specified in Article 10(2)(c) of the UAFP Regulation.

Under 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 FINANCIAL INTERESTS OF THE UNION

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 the Recovery and Resilience Facility (RRF)⁵. With a total volume of EUR 1.8 trillion, this is the largest package ever financed through the Union budget. It is therefore more important than ever to protect this budget, which represents EU taxpayers' money, and to ensure that it is collected and spent correctly. For expenditure, the UAFP should support Member States in the implementation of various types of budget management, whether direct, indirect or shared.

To achieve this objective, the Union has recently strengthened its anti-fraud architecture, which now features: (a) a European Anti-Fraud Office (OLAF) whose powers have been strengthened through an amendment in 2020 of Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council⁶; (b) the new investigative and prosecutorial powers of the European Public Prosecutor's Office (EPPO); (c) the analytical capacity of the European Union Agency for Law Enforcement Cooperation (Europol); and (d) 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

⁵ 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).

⁶ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (O J L 248, 18.9.2013, p. 1).

other illegal activities affecting the financial interests of the Union. To this effect, the first component of the UAFP allocates EUR 114 207 000 for the period 2021-2027, of which EUR 15 662 329 for 2023, to fund actions to fight fraud, corruption and any other illegal activities affecting the Union budget.

The UAFP is the main programme at Union level specifically designed to protect the EU's financial interests. The UAFP may act in synergy with other Union instruments providing technical support in the fight against fraud and corruption, such as the Technical Support Instrument⁷ as well as with other EU cooperation programmes such as the Customs programme⁸ and Fiscalis⁹.

The Commission will implement this first component of the UAFP by: (a) awarding grants following calls for proposals; (b) concluding public-procurement contracts following calls for tender; (c) entering into administrative arrangements with the Commission's Joint Research Centre (JRC); and (d) reimbursing costs incurred by representatives from eligible entities who participate in training and operational activities.

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 EU's political priorities related to objectives of the UAFP. Some of the actions financed under this component of the UAFP are therefore also likely to help deliver on the EU's current political priorities by: (a) preparing for the challenges and opportunities of the green and digital transitions; and (b) making European economies and societies more resilient to shocks in the future insofar as these actions are linked to the objectives of the UAFP.

It is important to tackle climate change in accordance with: (a) the commitments of the Union to implement the Paris Agreement adopted under the United Nations Framework Convention on Climate Change; and (b) the United Nations Sustainable Development Goals. Reflecting the importance of these efforts, the UAFP aims to help ensure that climate actions are integrated into all policy areas and achieve an overall target of 30% of the EU budget supporting climate objectives.

To this end, the UAFP may, for example, enable Member States to be better equipped to prevent the import of certain illicit products that do not comply with standards laid down in Union environmental and climate legislation. In doing so, the actions taken under the UAFP not only prevent infringements of Union customs legislation but also protects the environment.

The UAFP can also provide support for cooperation between customs and other competent authorities to fight certain fraudulent activities that damage the environment and human health, such as activities related to illegal waste shipments; the illicit trade of endangered species; illegal chemical products; or fraudulent or substandard food products.

⁷ Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, 18.2.2021, p. 1).

⁸ Regulation (EU) 2021/444 of the European Parliament and of the Council of 11 March 2021 establishing the Customs programme for cooperation in the field of customs and repealing Regulation (EU) No 1294/2013 (OJ L 87, 15.3.2021, p. 1–16).

⁹ Regulation (EU) 2021/847 of the European Parliament and of the Council of 20 May 2021 establishing the Fiscalis programme for cooperation in the field of taxation and repealing Regulation (EU) No 1286/2013 (OJ L 188, 28.5.2021, p. 1).

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

4.2. Eligible actions

4.2.1. Grants

About 68% of the 2023 budget of the UAFP allocated to the first component of the UAFP, or EUR 10 550 000, will be used to fund activities by awarding grants to prevent and combat fraud, corruption, and any other illegal activities affecting the financial interests of the Union.

The Commission plans to publish two calls for proposals for actions in 2023 to be financed through grants. 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 and specialised training courses, conferences, staff exchanges, research studies and knowledge dissemination. The Commission also plans to support one or more international organisations.

The Commission will examine each application on the basis of the following types of criteria:

- (a) Admissibility criteria: to be detailed in the call for proposals.
- (b) Eligibility criteria
 - (1) applications must be submitted by eligible entities, as indicated in Section 3 of this Annex;
 - (2) applications must be submitted for eligible actions, as indicated in Section 3 of this Annex;
 - (3) applications must be submitted by single applicants (mono-beneficiary grants to be awarded);
 - (4) project budgets are expected to comply with the minimum thresholds specified in the relevant calls;
 - (5) project durations should range between 12 and 24 months.
- (c) Financial and operational capacity and exclusion criteria
 - (1) applicants must have stable and sufficient financial resources to successfully implement the projects and contribute their share;
 - (2) applicants must have the operational know-how, qualifications and resources to successfully implement the projects (including sufficient experience in projects of a comparable size and nature);
 - (3) verification of applicants' exclusion situation, as per Articles 136 and 141 of the Financial Regulation.
- (d) Award criteria
 - (1) conformity with the UAFP's objectives: coherence, relevance, consistency and transnational dimension;
 - (2) quality: project design and implementation, methodology, allocation of resources, feasibility of planning and monitoring arrangements;
 - (3) value for money: a sufficient and appropriate budget for proper implementation so that the expected long-term impact and results can be obtained;

- (4) added value for the protection of the financial interests of the Union: impact, sustainability, dissemination, multiplier effects, interoperability, complementarity, and transnational dimension.

To ensure that the best-quality applications receive funding, the technical specifications accompanying each call for proposals will indicate: (a) weightings for the award criteria; (b) minimum score requirements for each criterion; and (c) 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 level of digitalisation) to step up the fight against fraud, corruption and any other illegal activity affecting the financial interests of the Union, on both the revenue and expenditure sides.

The Commission will publish a specific call for proposals to support projects the main purpose of which is to acquire specialised equipment, tools, and data technologies to achieve this goal. This call will include an accompanying training component on how to use the purchased equipment¹⁰. The overall indicative budget for this call is EUR 9 650 000.

The entities eligible to participate in this call will be either: (a) national or regional public authorities, as defined in Section 3 of this work programme, and whose task is to protect the financial interests of the Union; or (b) relevant international organisations. Public authorities established in a third country that is not associated with the UAFP will not be eligible for this call in 2023.

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 high risk in protecting the financial interests of the Union. 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 at least one of the following:

- (a) the findings of the annual reports on implementation of Article 325 TFEU on combating fraud, in particular the identification of situations that are vulnerable and that raise the greatest threat to the protection of the financial interests of the Union;
- (b) the findings of the European Court of Auditors' Special Report 19/2017 on import procedures¹¹.

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

In 2023, the Commission will support the following categories of technical assistance actions:

- (a) Investigation and surveillance equipment and methods

The Commission will support the purchase and maintenance of investigation and surveillance equipment and methods used by beneficiaries to prevent and fight against irregularities, fraud, and corruption detrimental to the financial interests of the Union. The purchase of adapted

¹⁰ All technical assistance applications should demonstrate a training component on how to use the purchased equipment.

¹¹ <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=44169>

transport equipment, IT hardware, IT software, and audio-visual equipment may be included, provided an applicant clearly demonstrates that the purchase helps to achieve the prevention and combat of fraud, corruption and any other illegal activities affecting the financial interests of the Union. Specialised training to enable staff to operate these tools must be planned as part of the action.

(b) Digital forensic hardware

The Commission will support the purchase and maintenance of digital forensic equipment and software, mobile forensic tools, and computer forensic collaborative systems used to prevent and fight against irregularities (and fraudulent irregularities in particular), fraud, and corruption detrimental to the financial interests of the Union. Cross-border cooperation enabling the exchange of information and best practices, in particular at operational level, is strongly encouraged. Projects may also include updates of existing software systems and associated training. Specialised training to enable staff to operate these tools must be included as part of the action.

(c) Data-analytics technologies and data purchases

To prevent and fight against irregularities, fraudulent activities, and corruption detrimental to the financial interests of the Union, the Commission will support the purchase and maintenance of: (i) commercial specialised databases; (ii) data-analysis platforms capable of running analysis in ‘big data’ environments; (iii) risk and predictive analysis tools; (iv) data mining tools; and (v) systems supported by artificial intelligence¹² used in the prevention and fight against irregularities, fraudulent activities and corruption, detrimental to the financial interests of the Union. These purchases include capacity building in Member States to develop, use and share databases and business-intelligence tools. These purchases may also enable the acquisition of integrated packages that comprise, for example, hardware, software, and training. Specialised training to enable staff to operate these tools must be included as part of the action.

Expected results for the actions under points (a) to (c): 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 to support investigations into activities detrimental to the financial interests of the Union. This includes the number of arrests, convictions, seizures, confiscations, recoveries, prevented losses to national and Union budgets, and fraud schemes uncovered.

(d) Detection of illicit trade

The Commission will support the purchase and maintenance of equipment and IT tools 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 Value Added Tax, customs duties and/or excise taxes. Specialised training to enable staff to operate these tools must be included as part of the action.

Expected result for the action under point (d): Strengthening and improving beneficiaries’ (in particular, customs authorities’) technical capacity to detect suspicious movements and to carry out verifications of such movements, including by checking trucks, containers and other types of vehicles. This will be measured by the number of new features in IT systems or the number of verifications and ‘hits’ following the use of the new equipment.

¹² Applicants have to ensure that the deployment of artificial intelligence systems do not generate unacceptable risks to the fundamental rights of citizens of the Union or endanger the admissibility of evidence in court proceedings.

To avoid any duplication in Union support, the UAFP targets its support at the acquisition of types of equipment: (a) that do not fall under the scope of the Customs Control Equipment Instrument (CCEI)¹³; or (b) for equipment for which the beneficiaries are authorities other than the authorities targeted by the CCEI. The Commission will consider potential overlap between the UAFP and other forms of Union support while evaluating the coherence and added value of a proposal for the protection of the financial interests of the Union.

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, the creation of networks between national authorities, and the creation of networks between practitioners and academics involved in protecting the financial interests of the Union. The Commission also aims to further raise the awareness of the judiciary and other branches of the legal profession to protect the financial interests of the Union.

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 900 000.

The entities eligible for this call will be all the entities referred to in Section 3 of this Annex. However, public authorities established in a third country that are not associated with the EU will not be eligible in 2023. Moreover, research or educational institutes or non-profit making entities in third countries that are not associated with the UAFP will also not be eligible in 2023.

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: (a) specifically created to promote studies in European criminal law; (b) to support the creation of networks in this area; and (c) geared towards protecting the financial interests of the Union. Moreover, these exceptional and duly justified cases applied for the training call may also include the exceptional cases referred to in the technical assistance call as set out in Section 4.2.1.1.

The total estimated cost of 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.

Financial support for training and conference activities will not cover the training needed for operating equipment purchased under technical assistance grants.

In 2023, the Commission will support the following groups of training actions:

(a) specialised training sessions:

Developing specialised training sessions to improve knowledge and use of IT tools, and to increase anti-fraud data-analysis abilities through the acquisition of new skills and knowledge of specialised methodologies and techniques.

(b) conferences, workshops and seminars:

¹³ Regulation (EU) 2021/1077 establishing a Customs Control Equipment Instrument as part of the Integrated Border Management Fund, for the period 2021-2027 (OJ L 234 of 2.7.2021, p. 1).

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

- (1) facilitate the exchange of information, experience and best practices, including in the field of IT anti-fraud systems and data analysis;
- (2) create networks and improve coordination between Member States, candidate countries, other third countries, institutions of the Union and international organisations;
- (3) facilitate multidisciplinary cooperation and awareness-raising between anti-fraud practitioners (in particular customs authorities and other law-enforcement bodies) and academics on protecting the financial interests of the Union, including support to the Association for European Criminal Law and the Association for the Protection of EU Financial Interests;
- (4) raise the awareness of the judiciary and other legal professionals of this matter.

(c) Staff exchanges

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

Expected results for the actions under points (a) to (c): Professionals, in particular staff from customs authorities and other law-enforcement bodies, are better able to protect the financial interests of the Union through: (i) the acquisition of new skills; (ii) knowledge of specialised methodologies and techniques; and (iii) an increased awareness of fraud-risk indicators at the Union level. More opportunities to develop and implement anti-fraud strategies at the Union level are expected.

These results will be measured by: (i) the number of events and number of participants; (ii) the origin and professional background of the participants; and (iii) the level of participants' overall satisfaction with the events.

(d) Comparative law studies and periodical publications:

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

Expected result for the action under point (d): 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 financial interests of the Union.

This will be measured by the number of academic or scientific publications distributed to stakeholders and the type and number of methods of dissemination of relevant academic or scientific knowledge. Indicators like metrics for measuring the impact of academic or scientific publications, such as the citation index or the impact factor, can be used if grant beneficiaries are unable to provide other indicators.

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

- (a) cooperation between the Union's institutions, bodies, offices and agencies involved in protecting the financial interests of the Union, in particular OLAF, and the

cooperation of these institutions, bodies, offices and agencies with national and third country authorities, in particular the customs authorities and other law-enforcement bodies of Member States and third countries;

- (b) OLAF's revised framework for investigations, with special reference to: (i) the exercise and enforcement of its powers; (ii) its cooperation with national partners (in particular customs authorities and other law-enforcement bodies); (iii) the operation of the anti-fraud coordination services in Member States; (iv) the evidential value of OLAF's reports; or (v) follow-up by relevant national authorities;
- (c) activities to detect and prevent fraud, in particular risk-analysis practices and methods in both the expenditure of the Union budget as well as fraud that damages the revenues of the Union;
- (d) preventing and fighting against revenue fraud and corruption, with a particular focus on customs-data analysis and new challenges in the field (e.g. e-commerce);
- (e) protecting the internal market of the Union against counterfeits, tobacco smuggling, and goods dangerous for health, security or the environment;
- (f) border protection, customs cooperation and exchanges of information, and which aim to protect the Union budget;
- (g) cooperation between customs and other competent authorities to prevent and fight against certain fraudulent activities that damage the environment and human health, (such as: illegal waste shipments, the illicit trade of endangered species, illegal chemical products, or fraudulent/substandard food products) and that affect the Union budget;
- (h) preventing the import of illicit products that do not comply with standards laid down in Union environmental and climate legislation, and in Union customs legislation, and that affect the Union budget, to protect the environment, the climate, and the Union budget;
- (i) preventing and fighting against fraud in Union funds in the areas of environment, climate and food security (actions related to the 'Green Deal');
- (j) emerging challenges in the prevention and fight against expenditure fraud in the context of the new multiannual financial framework and in new instruments such as the Recovery and Resilience Facility;
- (k) national and Union anti-fraud strategies and comparisons of the relevant frameworks of different Member States;
- (l) 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, public-budget support, etc.);
- (m) the protection of the Union budget if there are breaches of the principles of the rule of law in the Member States;
- (n) the future of Union anti-fraud policy: challenges and opportunities;
- (o) money laundering as an accompanying element of fraud and irregularities affecting the Union budget;
- (p) fraud committed in cyberspace and which affects the Union budget.

4.2.2. Procurement

About 32% of the 2023 budget of the UAFP allocated to the first component of the UAFP, or EUR 5 112 329, will be used to fund activities by concluding procurement contracts linked to protecting the financial interests of the Union.

The Commission will conclude specific contracts under existing framework contracts for technical assistance and training actions, as well as other actions. The Commission may launch calls for tenders in 2023 for training activities, technical equipment acquisition, or the purchase of access to databases. The purchased equipment and services will be made available to UAFP beneficiaries.

IT development and procurement strategy choices will be subject to pre-approval by the Information Technology and Cybersecurity Board (ITCB) of the Commission.

4.2.2.1. Procured conferences/training

The Commission will organise conferences and specialised training focused on protecting the financial interests of the Union. The issues to be addressed by these activities include the detection, prevention, and investigation of fraud, including the fight against illicit trade. Particular attention will be paid to cooperation between OLAF and its operational partners (customs authorities and other law-enforcement bodies), and the protection of the financial interests of the Union in the Union itself and in third countries.

The Commission will use the services of a firm specialised in organising events through specific agreements under an existing framework contract concluded in 2020. The total indicative available budget for procured conferences/training is EUR 1 200 000.

4.2.2.2. Digital forensic analysis and analyst training

The Commission will organise specialised training sessions to:

- (a) support the training of staff in national and regional administrations, with a view to protecting the financial interests of the Union by developing, improving and updating their skills in the area of digital forensics and forensic analysis;
- (b) support the initiation of a quality-assurance process and a certification procedure to enable computer forensic experts to develop, improve and update their skills;
- (c) support a network of digital forensic analysts and experts specialised in protecting the financial interests of the Union to promote the exchange of best practices;
- (d) strengthen joint capacities in the analysis of customs data.

The Commission will use the services of firms specialised in organising training events under existing framework contracts. The indicative available budget for digital forensic analysis and analyst training is EUR 1 400 000.

4.2.2.3. Databases and tools

For access to databases and tools, the Commission may:

- (a) purchase this access by means of specific contracts within framework contracts already concluded by Eurostat or any other Union institution or body for company and trade data, if best suited to specific operational needs;
- (b) conclude a specific contract for the provision of information on vessel information and movement under the framework contract concluded in 2020 by OLAF or a new framework contract;

- (c) 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;
- (d) purchase, by means of procurement, traceability devices for illicitly traded products.

OLAF will manage the access rights purchased for all mentioned databases.

The overall indicative available budget for this action is EUR 1 754 329.

4.2.2.4. Administrative arrangements

An administrative arrangement with OLAF was agreed with the European Commission's Joint Research Centre (JRC) in December 2020 covering the period 2021-2023. This arrangement, known as CAFET (Customs Anti-Fraud Enabling Technologies), provides scientific and technical support to OLAF and the Member States to develop and share experience with data analysis in the fight against customs fraud.

OLAF will sign an annual specific administrative arrangement with the JRC to carry out chemical analyses of samples from tobacco and cigarette seizures in the Member States (as part of the 'TOBLAB project').

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

The total indicative budget for the JRC administrative arrangements is EUR 758 000.

4.2.2.5. Procured studies

The Commission will not conclude any procurement contracts for studies under this component in 2023.

5. COMPONENT 2: ACTIONS CARRIED OUT IN ACCORDANCE WITH REGULATION (EC) NO 515/97

5.1. Aim and rationale

The second component of the UAFP supports mutual administrative assistance activities under Regulation (EC) No 515/97, including AFIS. This assistance contributes to the correct application of the law on customs and agricultural matters.

Through this component, EUR 60 000 000 will be allocated through the UAPF for the period 2021-2027, of which EUR 8 227 888 for 2023, to provide tools for information exchange and support for operational activities in the field of mutual administrative assistance in customs and agricultural matters.

AFIS is a platform, which consists of a set of anti-fraud IT applications operated by OLAF under a common technical infrastructure. The aim of this set of IT applications is the timely and secure exchange of fraud-related information between the competent national authorities and EU institutions, bodies, offices and agencies, as well as the storage and analysis of relevant data. The AFIS platform has more than 9 000 registered end-users from Member States, partner third countries, international organisations, the Commission and other institutions of the Union. The AFIS platform enables substantial economies of scale and synergies in developing, maintaining and operating such a wide and diverse set of IT services and tools.

AFIS supports mutual assistance in customs with collaboration tools such as:

- (a) VOCU (Virtual Operations Coordination Unit) for joint customs operations;

- (b) secure web mail (AFIS Mail);
- (c) specific information-exchange modules.

AFIS also provides support with:

- (a) databases such as CIS (Customs Information System) and FIDE (Customs Investigation Files Identification Database);
- (b) the Container Status Messages (CSM) directory;
- (c) the Import, Export and Transit (IET) directory.

AFIS also provides support with data-analysis tools such as AMT (Automated Monitoring Tool) and a platform for strategic and operational data analysis. Further developments are ongoing to improve this analytical platform. AFIS also supports electronic workflow applications such as ToSMA (the Tobacco Seizures Management Application).

The main legal basis for the operation of the AFIS platform is Regulation (EC) No 515/97. This second component of the UAFP will also cover the expenditure relating to use of the CIS provided for in instruments adopted under Article 87 TFEU, and in particular in Council Decision 2009/917/JHA¹⁴, in so far as those instruments provide 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 (DG TAXUD).

5.2. Eligible actions

The amount in the budget reserved for procurement contracts in 2023 is EUR 8 227 888.

IT development and procurement strategy choices will be subject to pre-approval by the ITCB of the Commission.

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, so that the applications can lend mutual assistance in customs matters.

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

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

For IT studies, development and maintenance, there is a total indicative available budget of EUR 3 995 000.

5.2.2. Production services

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

To this effect, the Commission will sign specific contracts under suitable framework contracts concluded by DG DIGIT or equivalent framework contracts.

¹⁴ Council Decision 2009/917/JHA of 30 November 2009 on the use of information technology for customs purposes (OJ L 323, 10.12.2009, p. 20).

The indicative number of specific contracts under suitable framework contracts that the Commission plans to enter into is 40.

The total indicative available budget for production services is EUR 2 420 000.

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

The Commission will procure technical assistance, training, coordination, and quality-control services to develop and operate the AFIS platform and to support mutual administrative assistance in customs matters. This assistance will focus on administrative investigations or operational actions, including joint customs operations.

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 suitable 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 405 000.

5.2.4. Technical assistance, coordination and provision of IT services for DG TAXUD

In accordance with Article 18(d) of Regulation (EC) No 515/97, import, export and transit data in the IET directory are 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 suitable framework contracts that 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 from the use by AFIS of the CCN operated by DG TAXUD and will contribute to the maintenance of the CCN.

OLAF will enter into an administrative arrangement with DG TAXUD to support 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 CCN is EUR 103 031.72.

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 platform, such as:

- (a) tools for development, testing, support, security, and database systems;

- (b) servers and storage equipment; telecommunications equipment and lines; testing equipment; and security equipment (i.e. firewalls, encryption devices, network-intrusion-detection systems and network-intrusion-prevention systems);
- (c) software and hardware related to the acquisition of data-analysis tools and the creation of a ‘data lake’ as part of building an analytical platform in AFIS;
- (d) other relevant software, hardware and related IT services.

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

The indicative number of specific contracts under suitable 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 1 150 856.28.

6. COMPONENT 3: THE IMS TOOL

6.1. Aim and rationale

The Component 3 of the UAFP supports the IMS tool, thus supporting the reporting of data on irregularities and cases of fraud.

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

Through this component, EUR 7 000 000 will be allocated through UAFP for the period 2021-2027, of which EUR 959 783 for 2023, to support the reporting of irregularities, including fraud. This allocation will be made with the shared-management funds and pre-accession assistance funds of the Union budget.

Union legislation for various funds contain provisions that Member States, candidate countries, potential candidates and third countries are to report irregularities and fraud affecting the financial interests of the Union. These provisions can be found in the Union legislation which sets out rules for:

- (a) the European Agricultural Guarantee Fund;
- (b) the European Agricultural Fund for Rural Development;
- (c) the European Regional Development Fund;
- (d) the European Social Fund;
- (e) the Cohesion Fund;
- (f) the European Maritime and Fisheries Fund;
- (g) the Asylum, Migration and Integration Fund;
- (h) the Instrument for financial support for police cooperation, preventing and combating crime and crisis management;
- (i) the Fund for European Aid to the Most Deprived;
- (j) the Fund for the pre-accession assistance.

6.2. Eligible actions

The Commission will implement the UAFP funding for 2023 dedicated to the IMS tool by concluding specific procurement contracts, either within the framework contracts it has already concluded, or by launching calls for tender.

IT development and procurement strategy choices will be subject to pre-approval by the ITCB of the Commission.

6.2.1. Development and maintenance of the IMS tool

The Commission will further develop the current IMS tool with the aim of introducing new features and improving user friendliness.

The Commission will use the services of external contractors. The total indicative available budget for the procured development and maintenance services for the IMS tool is EUR 513 283.

6.2.2. Production services, support and hard- and software

The Commission will use the services of external contractors to ensure production services, support, hardware, and software for the IMS tool.

The total indicative available budget for production services, support, hardware and software related to the IMS tool is EUR 446 500.