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Bulgaria: suspected irregularities of over €140 million in railway infrastructure project

Investigations carried out by the European Anti-Fraud Office (OLAF) and the European Public Prosecutor's Office (EPPO) have pointed to possible irregularities in the implementation of a railway infrastructure project in Bulgaria.

OLAF conducted an investigation in close cooperation with the EPPO's European Delegated Prosecutors in Bulgaria, looking into possible irregularities in an EU-funded project for the modernisation of local railway infrastructure.

OLAF's investigation focused on the financial damage caused by the alleged irregularities, notably during the procurement procedure and project implementation. According to OLAF's investigation, two of the successful tenderers either lacked the technical capacities to implement the project or had misrepresented their financial capacities.

OLAF closed its case with recommendations to recover over €38 million and to prevent the further spending of €92 million. CINEA – the European Climate, Environment and Infrastructure Executive Agency – is the authority which can now follow up on OLAF's recommendations.

The EPPO's investigation is ongoing and focuses on possible criminal offences – such as misuse of EU funds and money laundering – and includes a second railway project that the EPPO estimates at an additional €111 million.

Ville Itälä, OLAF Director-General, said. *"Together, we have prevented the undue spending of over €92 million and recommended the recovery of over €38 million, money that belong to the European tax payers. This investigation is an example of how the combination of the administrative (OLAF) and the criminal (EPPO) procedures to fight fraud could bring the best protection of the EU financial interests."*

More information is available in the [EPPO's press release](#).

OLAF mission, mandate and competences:

OLAF's mission is to detect, investigate and stop fraud with EU funds.

OLAF fulfils its mission by:

- carrying out independent investigations into fraud and corruption involving EU funds, so as to ensure that all EU taxpayers' money reaches projects that can create jobs and growth in Europe;
- contributing to strengthening citizens' trust in the EU Institutions by investigating serious misconduct by EU staff and members of the EU Institutions;
- developing a sound EU anti-fraud policy.

In its independent investigative function, OLAF can investigate matters relating to fraud, corruption and other offences affecting the EU financial interests concerning:

- all EU expenditure: the main spending categories are Structural Funds, agricultural policy and rural development funds, direct expenditure and external aid;
- some areas of EU revenue, mainly customs duties;
- suspicions of serious misconduct by EU staff and members of the EU institutions.

Once OLAF has completed its investigation, it is for the competent EU and national authorities to examine and decide on the follow-up of OLAF's recommendations. All persons concerned are presumed to be innocent until proven guilty in a competent national or EU court of law.

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