ANNEXE 2

DRAFT MINUTES OF THE EIGHTH MEETING OF THE OLAF ANTI-FRAUD COMMUNICATORS' NETWORK (OAFCN)

Brussels, 27 October 2005

Mr Butticé opened the meeting by welcoming all the OAFCN members, and gave an especial welcome to the new colleagues. After giving some practical information, he mentioned how the meeting had nearly been postponed until the following year due to July's hearing on OLAF and the selection process for the new OLAF Director General. However he stressed that the meeting was going ahead anyway because the network needed at least two annual face to face meetings to continue its efficient level of work.

He said that the last meeting's minutes had been sent to all members, and that the suggested modifications to it had been made, and went on to introduce the rest of the OLAF Spokesman Unit. The minutes were adopted. This was **point 3.**

He then moved back to **point 2** of the agenda. No-one had any comments, and so the agenda was approved.

Then came **point 4**, the chair's announcements. **Mr Butticé** said some people had suggested he tried to find a way of encouraging more participation in the discussions and exchange of ideas, and invited everyone to do so. He stressed the importance of the following day's seminar and said he considered it a continuation of the previous year's Round Table, whose results could be found in the *Deterring fraud by informing the public* publication. He also announced the arrival of the English version of the DVD of the same name.

He referred to the European Commission's Plan D and the necessity of communication in a moment of apparent crisis on the construction of Europe after the failed referendums in France and the Netherlands. He added that the *Deterring fraud* publication had a cover price not to make money, but so it could be put in bookshops and so read more widely. He asked the colleagues to give him lists of libraries or other places such as police schools where the publication could be placed.

He talked about the next day's seminar and the fact that at the beginning the relationship with the IFJ had been a little difficult due to the so-called Tillack case. However, the relationship had got better over time, as both parties realised they needed to communicate with each other to avoid this type of thing happening again. He said he wished to create mutual respect between the OAFCN and the IFJ because the OAFCN's added value was that it worked on an international level and that both sides would be

able to ask things of the other, as well as providing the opportunity to react to previous bad experiences with journalists.

At this point he opened up the discussion for brain-storming on the next day's seminar or on any other matters.

Mr Jones, from the Serious Fraud Office (UK), thanked Mr Butticé and suggested that there might be national distribution systems for official publications, such as the Stationary Office in London, which could be used in order to market and distribute the *Deterring fraud by informing the public* publication.

Mr Butticé thanked him and agreed, saying that the best distributors of the publication were the members themselves. He asked if anyone wanted to raise any points to be discussed the next day with the IFJ.

Mr Andrén from Swedish Customs said it would be unlikely that the IFJ consider making a Memorandum on Understanding with a particular company, as he felt they would not see it as appropriate to their role as an independent investigator, but that perhaps they would on an international level.

Mr Butticé agreed and said that OLAF was willing to make a Memorandum of Understanding with the journalists. And that he hoped something more formal, as was due to happen before the lobbying arising from the Tillack case, would now arise out of the next day's meeting. He said that OLAF had already had a text written and approved for this Memorandum between OLAF and the IFJ in which the OAFCN was mentioned, and he hoped that very soon there would be something written down to make the relationship a formal one.

Mr Napoletano from the Agenzie delle Dogane (Italy) said that no-one had organised this type of seminar in their own country, so what was the key, the change, that tomorrow's seminar was expected to bring to the relationship. He explained that often anti-fraud investigators had problems in their relationships with journalist federations since the press so rarely listened to the investigators.

Mr Butticé said that this key, this step forward, could come from a crisis situation such as the Tillack case, and the crisis for OLAF had more been a problem of the police and journalists not understanding each other's legal obligations. In this case, after the problems, the two sides, OLAF and the IFJ met up and decided it would be good to use the negative experience to make something positive. The fact that this type of joint seminar had not ever been organised on a national level was quite satisfying as it showed it was something original, and others' negative experiences could be used for the good of others. OLAF itself would promise certain things to the IFJ such as the use of the OAFCN, but within legal and ethical codes of practise.

Mr. Andrén from Swedish Customs) said It was proposed that if any of the colleagues had had run-ins with the press, it could be interesting to see what methods had been used to deal with the problem. He went on to say that he had had some thoughts about

the meeting with the International Federation of Journalists (IFJ). According to him it would be interesting to see how they look upon a point of Memorandum of Understanding (MoU). At least from his home country Sweden, he had not heard that IFJ would make an actual agreement or a memorandum with a certain organisation or a company or alike. From his point of view the signing of a MoU might not be appropriated with IFJ's role as an independent investigator. He raised the question whether that would be workeable on an international level and said that he was looking forward to see their reaction tomorrow. The reason he had not had any experience of the kind was due to the fact that an official agreement with the press had not accured in Sweden whereas discussions about ethics had been held and proved to be fruitful.

Mr. Popescu from the Romanian Prime Minister's Inspection Department said that three years ago one of their main newspapers had published an article entitled 'white-collared mafia' on a note supposedly sent to OLAF by some Romanian citizens in which they made some very general remarks on a fraud committed by the government party leader at that time. The OLAF contact point in the government control department was accused of not doing anything to deter that fraud. For the journalist, the reason for this that the head of unit was a member of the same party as the leader accused of the fraud of EU funds. So how should they have reacted to the note, given that the head of unit didn't know anything about it and the journalists in question had no code of ethics?
Firstly, they had one very pragmatic press release – the newspaper reacted to this by continuing to make the same accusations
Secondly they gave no press releases or declarations – again the newspaper made the same accusations.
How should they have reacted to this, which was a 'fake' case, purely political?

Mr Butticé said it was hard to give an exact answer as communication was an imprecise art, but that the same question could no doubt be re-put the following day in the presence of the press; it depended on the "right of reply" in Romania. He said that the idea was to have some kind of "unofficial decision" on this matter from the IFJ but they couldn't expect that their press releases would always get published. He added that this depended on the country; in some places the newspaper was not even legally bound to publish the letter of reply.

Mr Napoletano went on to say that newspapers always gave the bad news and rarely the good; he said he hoped that something good would come out of the next day's meeting, but he had some doubts about it.

Mr Butticé stressed that progress had to be made little by little and said it was also important to stress the positive collaboration that went on to help fight fraud, to explain to the citizens the positive steps the network was taking for them, as talking merely of the frauds committed gave the idea that defrauding was easier than it actually is and produced a negative image.

Mr. Wojahn resumed the discussion and responded to Mr. Napoletano's doubts. He said that the contacts with the International Federation of Journalists (IFJ) became; mandatory because IFJ supported a journalist in a lawsuit. That is a legal status in the lawsuit before the European Court of Justice. He stated the example that in some Member States, thus for example in Germany, one can support somebody and intervene at the Courts. Whereas under these circumstances a person doesn't become a party in a lawsuit, he or she nevertheless takes part in a Court case. He added that the impact for publicity is imaginatively big if a press association supports a journalist in a specific case. In such a situation direct confrontation between OLAF and the Federation and not only with the respective individual media is a likelihood. In this special case personal contacts proved beneficial aside from the fact that they contributed to a better atmosphere and establishment of deontological principles.

Mr Andrén said that if there were incorrect facts given in an article it was possible, by calling every news agency or paper, to correct them. This gives results. But it becomes more complicated when there are different points of view.

Mr Butticé agreed with him and said that it was easier to do this in Sweden, a country with a limited number of media.

Mr. Schmitz presented himself as the Spokesman from German Zollkriminalamt (ZKA). He said he was looking forward to having more concise information from OLAF's co-partner of the seminar (IFJ) tomorrow and added that Jörg Wojahn's remarks were appropriated. In his views the encounter and discussion with IFJ was going to be positive even though he didn't know how many journalists and which of their respective media the Federation represented. He pointed out that in his daily dealings he speaks to journalists individually and not with press associations. Stating the example that he could catch the attention of 99 journalists with a message, but that the one journalist who is not member of a press association might put the news on the front page). He said he was curious to see in which way the intended mutual agreement between OLAF and IFJ could contribute to OLAF partners' daily work and that he had no doubt that it was going to be a very lively discussion.

Mr Butticé stated that in Germany there had not been similar problems with the German press association, and that it would be good if this would be emphasised the following day. OLAF had had such problems, however, perhaps because it was a younger and smaller body. He thought it was good to work with individual journalists, but also thought it would be useful to establish some fundamental deontological rules. However he thought many incorrect facts came about due to the journalists' lack of acquaintance with the technical side of such crimes. He said that it was the job of OAFCN members to provide the journalists with some basic information as their training was very generalised and it was this ignorance, rather than deliberate ill-will, which led to many of the mistakes being made.

Mr Butticé began with **point 6** on Operation "FAKE", which was the first time the network had been used in this way, with the customs officers of the Member States working together with a common strategy, co-ordinated by OLAF. He said that the main results of the operation would be presented ten days later in Rome.

Mr Wojahn addressed the customs officers present. He said that the main media event would take place on 8 November, at the press conference in Rome following the operational meeting, which would analyse the success of "FAKE", and that on the same day, in Brussels, the relevant commissioners would also have a press conference. He said OLAF expected the customs officers to consider organising a press conference themselves or to publish a press release, or to attend one of the central press conferences in Brussels or Rome.

Mr Henne outlined Operation "FAKE", explaining that it was an operation of surveillance of air and maritime transport routes in order to track down counterfeit goods. This had been carried out with DG TAXUD and the customs officers of Member States. The Commission made an evaluation of the threat of counterfeit goods, and they saw that it would be impossible to open all of the millions of containers of goods that leave China for Europe every week so had to see how best they could carry out the operation with the available resources. They decided to target one particular Chinese port and all movement from there to the European Union as well as countries such as the UAE and internal EU routes. He gave a specific example of a boat which left the Chinese port on 14 May and which was due to arrive at Rotterdam on June 17th. Once the containers had left the initial port, the maritime groups sent the transportation documents to the EU unloading points so they could begin a risk assessment for the European ports. At Antwerp there was a cargo which was due to arrive in Poland, and what caught their attention was the fact that the route did not make sense geographically or economically. So at each of the 25 ports selected, the customs officers put the information given in the transportation documents into the AFIS system (OLAF's anti-fraud system). This information then gets sent to an operational centre, set up for the first time at OLAF, where there are eleven liaison officers for the Member States and two co-ordinators, one from OLAF and one from DG TAXUD. As there were just eleven officers some represented several countries, such as Finland, which also represented Estonia and Lithuania. The information received was compared with other data bases, and then based on this they selected cargos which seemed most likely to contain counterfeit goods and this was then sent to the destined port so that a physical or X-ray check could be carried out. At the operational centre which dealt with the case uncovered by Antwerp, several inconsistencies were found, notably the telephone number of the society in Poland, which did not correspond at all to the customary one. Thus, this cargo was chosen to have the physical check and inside the containers were Marlboro cigarettes. They then asked their colleagues at Antwerp to get in touch with the customs officers in Poland to check up on the information. It turned out that the Polish society was totally trustworthy and had done nothing wrong; it was someone else who was calling from a mobile phone to get the goods delivered to a specific location, and now the Polish legal authorities are in charge of the affair.

During the 15 days of operation, they chose 221 containers to inspect at Rotterdam, of which 69 did indeed have counterfeit contents. They have also noticed the Internet is

often employed now. One Portuguese company which produces pressure cookers, for example, had not sold a single one in the Arab countries for several years. As a result, they came to OLAF who quickly found information about the company on the Internet with incorrect contact details. **Mr Henne** showed pictures of the products. This of course has a big impact on the European financial market as the Portuguese company is forced to make redundancies and so on.

Mr Wojahn asked how we deal with this from a communication point of view and indicated the press pack that had been distributed as a tool. First of all they looked at the timetable, with the key date being 8th November and the joint press conference in Rome and Brussels where the press pack would be given out. Then Mr Napoletano would no doubt give out some information from the Italian, given that he was hosting the Rome event. Mr Wohajn repeated that this press conference was the day after the operational debriefing. In Brussels there would also be a press conference with the commissioner in charge of anti-fraud **Mr Kallas** and with the commissioner in charge of taxation and customs, **Mr Kovásc.** He said that in the press pack there was a case study from Operation "FAKE" so people could understand how it worked. He explained that they had also attached a table of all the products seized during the operation. The next document was a series of questions and answers on counterfeiting from an EU perspective. The last one was a previous press release on OLAF's infrastructure and its added value. He mentioned the CIRCA website and the possibility of taking material off it and talked of the OLAF DVD, thanking some of the colleagues who had helped the audiovisual side.

Mr Napoletano said the Italian government and the Agenzie delle Dogane were proud to host the joint OAFCN-customs authorities operation and said it was important for everyone in Rome to make known, especially in the media, how much they were capable of doing on a European level, and said he would like to have at least one journalist from every OAFCN country there too. He said there would also be a Customs Museum opening at the same time which the participants in the press conference would be able to visit immediately afterwards. He said that it was important always to see what the appeal of an event would be to the press, and that the appeal of the press conference in Rome was that it would be the first time such an event had taken place between all differing countries. He said they had also arranged for seven Italian television companies to be present, as well as at least twelve newspapers. He invited the OAFCN colleagues to let them know via email if they wanted a particular journalist from their own country to be present, and stated that they were also trying to organise a teleconference between Rome and Brussels so that all could follow the proceedings.

Mr Butticé thanked everyone who had spoken so far and reiterated that it was the first time that an operation such as this had taken place on this kind of area. He stressed that not only did they wish to fight fraud, but also to prevent it, as it creates so many problems – not only financial damage, but also security-based and other ones. He thanked the OAFCN for its role and said that the week of meetings on 7, 8 and 9 November was to hammer home the results of the operation to the public using the press. He reminded everyone that on the 8th there were the Press conferences in Rome and Brussels, but that the idea was for something similar to take place in all the Member

States on this day. This should be at least a press release, especially from the customs authorities, published on the 8th or 9th, personalised if possible, to have a week in which both the gravity of the issue of counterfeiting and the positive results of Operation "FAKE" would be talked about positively everywhere.

He drew their attention again to the press pack and the photographs, saying there were image banks on the website for the television journalists too. He said he wanted to be sent at least a press release from every country in order to stress the work and its both national and international nature.

Mr Andrén asked whether there were a member of OLAF that could be a contact point for the national journalists even at odd hours depending on when the journalist did the job, also whether this was a one-off or would this be the new method of operating from now on?

Mr Butticé explained that both he and Mr Wojahn contacted, and that Mr Wojahn's mobile phone was set up ready and that the contact in Italy was Francesco Napoletano. To the second question he stressed that this was the first operation of this kind because it was on an international level, to stress that no country could fight this kind of fraud alone but with the different countries together, it was possible.

Mr Andrén asked whether they knew of any more similar operations to take place in the future.

Mr Henne said that it was an ongoing operation, and they had reserved the room up until the end of 2006, but that they could not reveal the exact target.
He said that the room was at the disposal of the Member States should they wish to work there and of OLAF investigations involving third countries.

Mr Butticé underlined that it was good to stress that there would be other operations as this was part of fraud prevention. He compared the process to speeding crimes: the Police do not want to give more tickets, they would rather signal the presence of cameras in order to get people to slow down. This prevention system is one we too should use. He said their objective was to seize fewer counterfeit or fraudulent items; this would mean they had successfully prevented some fraud.
die auch zufällig aus China kommen nach unseren Erkenntnissen. Hier geht es um sicherheitsrelevante Teile, Autoersatzteile und Arzneimittel. Und wenn ich mir die Liste anschaue der Entdeckungen, der sichergestellten Sachen, sind mir zwei Sachen aufgefallen. Da geht es um Tabletten, Anabolikasubstanzen, Schmerzmittel, auch Viagratabletten habe ich da gesehen und dieser konkrete Fall ist zum Beispiel ein Fall gewesen, in dem, das weiss ich nun mal zufällig, von Deutschland aus ein Hinweis kam. Dieser Hinweis über Schweden weitergesteuert wurde. Lars, da wäre es vielleicht für unsere Sache noch mal konkret eine Idee das abzustimmen, in welcher Form wir diese Information weitergeben könnten. Also im Prinzip eine Entdeckung von gefälschten Arzneimitteln, die ohne diese international Zusammenarbeit nie efolgt wäre. Und das ist, glaube ich, eine Information, die wir der Öffentlichkeit weitergeben müssen. Und das ist auch das Neue an diesen Operationen und deswegen da die Markenpiraterie in Deutschland schon lange ein Thema in den Medien ist und wir Reportagen vorbereitet

haben, und diese Reportagen nahezu am Ende sind – auch längere Reportagen - war es meine Idee, einfach diese Operation in die Reportage mit einzubinden, d.h. mit den Journalisten, die gerade daran arbeiten, es ist das Fernsehen, das ist aber auch Journalismus, also schreibende Medien. Einfach nur in einem Schwenk auch noch über

Mr. Schmitz followed up on Mr. Wojahn's remarks stating that international customs operations of that kind like operation "FAKE" have a long tradition. Tracing down drug smuggling and cigarette smuggling is done in close cooperation between customs services, police and investigators. He congratulated OLAF to have launched for the first time operation "FAKE" from their own headquarters in coordination with national partners. That kind of international cooperation was formally coordinated out of national Services and he said that progress had been made in this field. He also made also reference to product piracy and the serious harm he believed that counterfeit goods cause to German and European business. Referring to Mr. Butticé's words he said that not only large quantities of counterfeit textiles caused damage but also falsified cigarettes, which coincidentally also came from China according to their findings (ZKA – German customs). He said the list of counterfeits is long, i.e. spare parts for cars, anabolic substances, medicinal products all prejudicial to public health and safety. He said he happens to know that the first indications of 'counterfeit' Viagra came from Germany. Reference of this concrete case had then been made to Swedish authorities and he asked his Swedish homologue, Mr. Andrén, in which manner such indications should be handled in the future. Mr. Schmitz said that without international cooperation the discovery of falsified medicinal products would not have become a success story and that he firmly believed information of that kind should be passed onto the public. He went on saying this type of piracy was for a long time an issue in Germany and his idea was to merge the findings from ZKA into TV reports and articles of the written press he had prepared alongside with journalists. For the sake of the protection of the citizens and to enhance the international dimension, the cooperation with the press and the OAFCN network should be enhanced.

Mr Butticé repeated that he wanted 25 press releases and that whoever did not do this would invite the other colleagues to dinner!

Ms Coman from the Fight against Fraud Department in Romania said it would be very useful to have a recording of Mr Butticé or another OLAF member talking about the operation.

Mr Butticé said that it was possible, but he suggested using the other tape with some other OLAF officials talking, as they didn't have much time and he preferred that the national OAFCN representative talked to the journalist. He said that unfortunately drug smuggling didn't really interest the public anymore, but that their attention needed to drawn to the dangers of faked merchandise, and in certain countries even those who bought faked goods were guilty. Counterfeiting, although it perhaps didn't seem as dangerous as other crimes such as drug smuggling, was in fact dangerous.

Mr Napoletano asked whether there would be enough copies of the DVD in Rome to give out to journalists. Mr Butticé said that they only needed to say how many, and they would be sent. Mr Napoletano asked how on the day of the press conference, they could interest the press and if they could perhaps give an indication of what they would say and why they were meeting.

Mr Butticé replied that this concerned Rome and Brussels. For Brussels he said there was no problem because the press room was active. In Rome he thought it could be good to make an announcement of the announcement, that is to say there would be a meeting between OLAF and its European partners, where the results of a joint operation would be given, without talking of the operation itself. For the other countries he decided each would know best how to alert the journalists' attention, perhaps with a press conference. If they wanted to encourage specific journalists to go they would be welcome.
He thanked Mr Henne and moved onto the final point on the agenda, the location and subject matter of the next OAFCN conference for 2006. he said that they had informally received a request from the Bulgarian colleagues.

Ms Belavska, from the Ministry of the Interior in Bulgaria, said it would be a great pleasure to host one of the next training seminar but she was not sure whether it would be possible in March or April, she thought the Autumn would be more convenient. She said they would continue to work on the ideas and try and organise this in Sofia and that they would try and invite a high level of guests but the details were still to be negociated.

Mr Butticé thanked her and asked whether any other delegations were willing to offer to host the conference, reminding everyone that OLAF would pay the majority of expenses. He took the Bulgarian proposal as a formal one and thanked them. He asked for an official letter and suggested they got in touch with the Romanian colleagues as they had organised the same thing in 2002 and it had been a success.
He said that the seminar should be along the lines of "deterring fraud by informing the public" but was open to other suggestions and potentially involving the IFJ as well. He asked if there was any other business anyone wanted to discuss. He thanked the interpreters and closed the meeting. (309)