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Head of Romanian ruling party accused of fraud following OLAF investigation

The Romanian National Anticorruption Directorate (DNA) has accused Liviu Dragnea, the leader of the Romanian Social Democrat Party (PSD), of fraud with European Union (EU) funds, of creating an organised criminal group, and of misusing his position for personal gain. Eight more persons have been placed under criminal prosecution on similar charges.

The contribution of the European Anti-Fraud Office (OLAF) to this outcome has been emphasised by the DNA. The DNA has explained that their case comes as a result of two investigations conducted by the OLAF into projects financed by the European Regional Development Fund for road construction in Romania, which were concluded in May and September 2016.

OLAF found evidence suggesting collusion between the beneficiary of the funds, public officials and the contractor, including falsification of documents during the procurement procedure. Some of these documents were also used in support of the claim which the beneficiary submitted to the Managing Authority, resulting in the payment of EUR 21 million from European Union funds.

OLAF's investigations were concluded with a financial recommendation to the Directorate-General for Regional and Urban Policy, to recover the full EUR 21 million, and with judicial recommendations to the Romanian National Anticorruption Directorate to initiate judicial actions into the matter.

"This investigation is a perfect example of the positive cooperation between OLAF and national authorities," OLAF Acting Director-General Nicholas Ilett said. "OLAF conducted thorough investigations that we hope will have a strong deterrent effect," he added.

For more information, please see the following press releases issued by the Romanian National Anticorruption Directorate: <http://www.pna.ro/comunicat.xhtml?id=8486> (available in Romanian)

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.

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