

22nd OAFCN meeting minutes, 16 November 2012

1. Welcome Note

Johan Wullt (JW) welcomed 3 new members: Tiia Sulander-Seppanen from Finnish Customs, Joseph Chetcuti from Maltese Customs, and Antoine Dalli, who replaces Alfred Mallia, from the Internal Audit & Investigations Division in Malta.

He explained the theme of the day was cooperation and openness, namely with the media, NGOs, the private sector, and also within the Network. He reminded that the OAFCN's mission was to bring together spokespersons from OLAF's national counterparts to communicate on anti-fraud issues. He referred to a European Parliament-funded study entitled "Deterrence of fraud with EU money through investigative journalism" which addressed the need for greater transparency, on the part of anti-fraud authorities, for investigative journalists. JW described the increasing importance of social media on recent political events such as the Arab Spring. He gave as an example the use of tweeting hourly pollution reports by the US Embassy in Beijing to put pressure on the Chinese government to address its air pollution problem.

JW announced this would be his last OAFCN meeting as he is taking up a post at the EU Representation in Stockholm from 1 December. Agnes Horvath (AH) will ensure continuity of the OAFCN in the interim period until a permanent replacement is found. AH said that the Network would be kept informed about the recruitment of a new OLAF Spokesperson. Miroslav Bednar (Czech Supreme Public Prosecutor's Office) conveyed the Network's best wishes to JW for his future.

JW informed that the presentations would be published on extranet after the meeting.

2. Adoption of the Agenda

The agenda was adopted without amendments.

3. Approval of the minutes from 21st OAFCN Meeting

The minutes were approved without amendments.

4. Communication with NGOs (Ronny Patz)

RP works at the Transparency International EU office (TI EU) as a researcher on EU information flows and with a background as a blogger on EU affairs. He highlighted the increasing use of social media.

He explained that TI, a global organisation with Chapters in almost all EU countries, was founded in 1993 to fight corruption. To ensure its independence, it is funded by a range of donors, such as development organisations, non-profit organisations e.g. the Bill & Melinda Gates foundation, and private companies. It produces a Corruption Perception Index, based on information from a range of multi-country studies, to show how corruption is perceived around the world. The importance in the fight against corruption is to focus on structural problems rather than individual cases. Good cooperation and dialogue between national authorities and NGOs can help to resolve differing priority issues across Member States. Cooperation with OLAF takes place at managerial and working level. He explained that TI advocates the creation of a European Public Prosecutor to resolve problems in the fight against corruption at EU level. He urged the Network to contact TI for more information on national corruption cases and priorities, and encouraged OLAF and the Network to exploit social media, by for example daily tweets.

JW asked what kind of information was needed for greater transparency, and RP explained that currently information on EU budget spending is very difficult to find and understand, and that ideally all such information should be published on one website i.e. there should be an EU-wide system. AH

replied that the European Commission (EC) is working on an open data portal, a compilation of all public information from EC departments, and that the Network would be kept updated about this.

5. Best Practice: Anti-Corruption Video (Ivana Ramljak (IR))

JW explained that the context for this was as a follow-up to the 11th seminar¹ entitled "Deterring fraud by informing the public: the power of pictures", which included promotional video production. IR (HR Ministry of Finance (MoF)) explained that, as part of a campaign by the Croatian Ministry of Justice (MoJ) which revealed the low level of public corruption awareness with citizens feeling it did not concern them (and which itself did not have a huge impact in Croatia), the anti-corruption video was made two years ago. The aim of the video, entitled "Corruption – That's not me" and showing how corruption can lead to the downfall of society, was to encourage people to say "no" to corruption. Targeting young people and presented in schools, the song in the video was produced by a well-known rap group, which increased its appeal. The video was advertised on billboards, television and the internet, including YouTube and the MoJ's website. In view of the limited budget, the video was not available in print. So when a newspaper asked to advertise it this way and were refused, the campaign suffered a damaging headline saying the MoJ was corrupt. The video was entered in a competition open to worldwide anti-corruption authorities, which took place from 8-9 December 2011, and of which one of the panellists was OLAF's Director General, Giovanni Kessler. Croatia's video won silver, with gold going to a 3-part Singapore entry.

AH asked member services, who have produced one, to submit anti-fraud videos to OLAF, who will create a film bank (similar to the image bank). *The Croatian video was shown.*

6. Case Study: International Communication on Fraud Cases (Leen de Zutter)

Leen de Zutter (LDZ) outlined the work of Eurojust, whose mission is the coordination between national authorities in the fight against cross-border crime and whose scope includes fraud, corruption and financial crime. Its coordination centre allows for the real-time exchange of information with national authorities. Eurojust signed a cooperation agreement with OLAF in 2008. Eurojust's number of cases has been increasing over the years, with a high of 1441 cases in 2011, although it should not be forgotten that, prior to 2004, there were only 15 Member States. Swindling and fraud make up about 25% of its cases.

She went on to present key tools for its communication strategy, emphasising that the same strategy is applied to all cases (with no difference made for fraud cases). Facts and figures concerning arrests and seizures are crucial for a successful press release. In terms of issuing a press release, the main difficulties are international coordination with national authorities: ensuring that Eurojust's involvement is not overlooked and getting a timely approval from the national desks. LDZ informed that Eurojust will soon be publishing a newsletter on the European Public Prosecutor's Office (EPPO).

7. Investigative Journalism (Stephen Castle)

A video called "Reporting Europe: The 50 billion Euro Harvest" was shown.

SC from the International Herald Tribune explained the significance of investigative journalism in contributing to a functioning democracy, by giving the following examples: the 'Watergate' scandal was uncovered by investigative journalism. In the 1960s, the Sunday Times disclosed a scandal concerning thalidomide (prescribed to pregnant women). A Cabinet minister was jailed in the 1990s following reports from investigative journalists and more recent investigations included one that revealed match-fixing in cricket. Finally, the mobile phone hacking by the News Of the World (NoW) tabloid was revealed by investigative journalists at The Guardian and resulted in the tabloid's closure.

¹ 30 November - 2 December 2011 in Berlin

He went on to explain what investigative journalists need from national anti-fraud services and why it is in our interest to help. In terms of the EU, what really interests people is money and how it is controlled. JW reminded that this is particularly important in view of the heated debate on the EU budget. Although facts and figures are needed, real examples and key details, i.e. what people did and how, make a story and this is where we can help. SC's message was to be as specific and transparent as possible. Publicity is vital in the fight against fraud, as for criminals, the best fraud deterrent is the fear of being caught. He complained that EU press releases seem to be created to be as bland and "unreportable" as possible.

SC gave as an example, an OLAF cigarette smuggling case, for which he was referred to national authorities for more details. Whereas the Spanish court wouldn't provide any, the UK authorities, who have different rules - details are in the public domain once the case goes to court - saw the advantage of drawing public attention to the verdict in a different case and provided names, pictures and video surveillance. This turned it into a front-page compelling story, with the UK's involvement coming across as active.

On the question of resources and funding of investigative journalism by David Jones (DJ - UK SFO), SC explained that constraints were fundamentally a question of finance. Not all newspapers can afford to devote time to investigative journalism, ironically NoW did.

Sabina Langus Boc (SLB - SI customs) asked about the best communication channels used by press offices. SC advocated the importance of Twitter, which has revolutionised the speed of communication and which can be effectively used to draw attention to details in a press release, but that email was still the most effective means of conveying detailed information.

8. EU Commission Anti-Fraud Policy (Lothar Kuhl (LK) - OLAF)

JW explained the context: that this was part of a recurring theme on EU policy, and a follow-up to a presentation on the European Commission Anti-Fraud Strategy by a member of Commissioner Semeta's cabinet at the last meeting, which had received positive evaluation. OLAF, together with DG Justice, is responsible for drafting two legal proposals. One was presented by the Commission earlier this year and aims to align and strengthen criminal law in the Member States to better protect EU money. The second is due to be presented by the Commission in June 2013 and concerns the establishment of a European Public Prosecutor which would make it easier to prosecute crimes against the EU budget.

LK explained that within the context of the current economic crisis, we face limited resources and a credibility challenge and highlighted the importance of protecting taxpayers' money. € 400-600 million a year are reported as suspected fraud, which is non-negligible. He explained that conviction rates vary greatly across Member States, from 20-90%. Over 50% of OLAF's cases are dismissed before trial by national courts. A major challenge is that fraud cases are often transnational, meaning that evidence needs to be collected at European level. This is an area where specific expertise is needed. The proposals are undergoing a series of consultations. The first proposal was intended to better develop a framework for administrative authorities within specific disciplines (eg. customs and anti-money laundering authorities) who do not currently have a framework.

The proposal for the establishment of an EPPO, would have the mandate to prosecute fraud cases (for which there is currently no supranational competent body) and focus on the protection of EU financial interests.

This specialised body dedicated to fraud investigations would create a streamlined process and faster collection of information, resulting in speedier action and a higher conviction rate. It should be independent from the Commission and Member States, i.e. receiving no instructions from anyone, but accountable before the European Parliament and the Council.

A questions and answers session followed.

9. Member State Case Study: Belgian customs 2013 media campaign in partnership with private industry (Jean Wynants)

JWY (BE Customs & Excise) explained that due to budgetary cuts press campaigning is getting more difficult, which resulted in the creation of a new foundation called "No to counterfeit"(NANAC). Belgium has seen an increase in counterfeit products, and there are concerns from the large pharmaceutical industry about the large amount of counterfeit drugs seized.

NANAC is a partnership between the public sector (- services involved in the fight against piracy & counterfeit goods -) and the private sector (- a pharmaceutical company, CIMABEL represents the tobacco industry, AGORIA metal & steel, and the Belgian International Chamber of Commerce – mostly Belgian companies). Its objectives are to raise public awareness about the dangers of counterfeit goods and piracy and to be a contact point for victims, to act as a contact point for the press - joint press communications are issued, and to provide a forum for stakeholders to share information and expertise.

The foundation's president is a well-known public figure. The customs spokesman is also a member of the foundation – a dual role enabling him to promote the foundation to the media. Belgian customs provides the secretariat, whilst the private sector provides knowledge and, more importantly, funding. JWY explained that there are different categories of membership (gold, silver & bronze), based on contributions. And, in return, the foundation can provide the companies with speakers for their events.

The tools used include a poster campaign, leaflets distributed at airports and ports (*both of which were circulated amongst participants*), and a dedicated website (*which was shown*). JWY informed that, based on the success of the previous one, a new (nationwide) poster campaign is planned for 2013.

He explained that the 'Staten General' (annual shareholder meeting) scheduled for 4 December will aim to further publicise the foundation to the press and get more private companies on board.

10. Member State Case Study: Customs cigarette seizure (Nico Dusseldorf, LU Customs & Excise)

In March 2012, a large cigarette seizure took place at Luxembourg airport. It was the first case of its kind in this country and generated interest in the international press (including on Twitter). It concerned a Turkish airplane which arrived from Dubai. It culminated in the seizure by customs of 38 tonnes of counterfeit cigarettes (but the smugglers got away). A press release on the matter was issued. *A short film on the case was shown.*

11. Implementation of 2012 OAFCN Action Plan; and Proposed 2013 Joint Communication Activity

JW reminded that at the last May meeting, a 2012 action plan was agreed, which is in the process of being implemented. Its accomplishment is a prerequisite of the Network, although associate members are exempt from implementing it. Implementation was 'less than satisfactory' until mid-October when OLAF sent out a reminder, and has subsequently received some more contributions.

The Advisory Board (represented by SLB, LDZ & Gian Luca Berruti (GLB)) was given the floor to remind the actions:

- media lists (of journalists & OAFCN spokespersons);
- image bank;
- OAFCN media campaign;
- briefing for journalists; and
- yearly press review

As many as possible of these should be implemented.

An analysis of the results was also provided:

The media campaign has so far not been implemented by any member service.

Only one service (IT Guardia di Finanza (GdF)) has partly submitted articles for the yearly press review.

Members have until the year end to complete the yearly press review. And if the articles are not in English, a short English summary should be provided. By means of an example, LDZ provided a room copy of a similar compilation produced by Eurojust.

JW concluded that the results are mixed. He reminded that a minimum requirement is submission of member services' Spokesperson's/press officers' details (- OAFCN media list), and said that some actions, i.e. media campaign, briefing for journalists and yearly press review, would be continued into 2013, along with the 2013 joint communication proposal (- the following agenda item presented by Finn Christensen).

The floor was given to Iveta Balevska (BG Ministry of Interior (MoI)) to give feedback on the briefing for journalists, hosted by her service in October, on how fraud is fought at EU level and the cooperation between the Bulgarian MoI, OLAF and the OAFCN. It was attended by about 20 journalists from national radio, TV and newspapers, and at which JW gave a presentation. The media impression being that Bulgaria is the most fraudulent country, JW explained that the message he tried to convey was that countries who don't report fraud should be more criticised than Bulgaria who does.

With 3 actions (out of 6) completed and as an 'observer' (i.e. non full member), recognition went to the Croatian MoF (in third place). The IT GdF came in second place, with 3.5 actions completed. And the best results, with 4 (out of 6) actions completed, were by the BG MoI, who was presented with a 'token' prize.

JW reminded of the Joint Customs Operation (JCO) 'FAKE', which was organised by OLAF in 2005 and involved all the Member States at the time, as an example of a successful joint communication campaign to be repeated in 2013 if possible. With 500 tons of counterfeit goods seized, the operation was a success. Communication activities were organised in parallel with the operation. On the day of the debriefing, 25 press releases were issued in the Member States. This resulted in 160 articles and numerous radio and TV reports on the matter, including the following positive comment: "FAKE is a good example of how the citizens like to see European money spent".

Finn Christensen (FC - OLAF) presented a successful JCO named Wasabi, which took place in 2007, by means of lessons learnt and which could serve as an example of how the OAFCN could contribute to communicate the successes of such collaborative operations to the public. Wasabi was coordinated from OLAF. It targeted misdeclared fruit and vegetables, for example fresh garlic declared as 'apples and garlic' imported into Ireland from China, to avoid high customs duties. It resulted in the recovery of € 1.6 million of evaded duties and a six-year prison sentence for the culprit. FC said that OLAF's investigative scope, which previously limited to counterfeit cigarettes, was extended from 1 February to include all counterfeit goods at the EU's external borders.

12. 12th Seminar: Draft Agenda & Planning

JW passed the floor to AH to present the draft seminar agenda. AH informed that, due to budgetary cuts, OAFCN seminars will take place every two years from now on, and alerted that the Hercule budget for this seminar has still to be adopted. She explained that the theme, targeted at young people i.e. future taxpayers and focusing on communication via social media, coincided with the European Commission's "2013 year of the citizen" initiative. She informed that the agenda had been drawn up in collaboration with the Advisory Board, but that it should be a collaborative effort and called on the Network's input for presentation suggestions and alternative proposals for the title

GLB (IT GdF) was given the floor to say a few words about hosting the seminar, which will take place from 17-19 April 2013 in Rome. He said that the seminar, which is a follow-up to the 11th seminar on "The power of pictures", will address the issue of how best to communicate to young people. He

informed about the use of a well-known comedian for a video project, produced by his service in collaboration with the Ministry of Education, to increase its appeal amongst your people.

13. Any Other Business

JW explained that as the current OAFCN logo, made up of all the member services' logos, is difficult to maintain, OLAF proposed a simplified version as an alternative (which was projected). As there was no objection from the floor, it will be used from now on.

In reply to a suggestion previously made by LP that the OAFCN get a space in DG TAXUD's PICS platform, JW explained that, instead, the OAFCN extranet should be further exploited.

In order to address their needs and preferences, JW urged participants to complete and submit the evaluation forms (provided as room documents) either at the meeting or, afterwards, via the OAFCN mailbox.

End of meeting

Annex 1: 2012/2013 OAFCN action points

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2012/2013 OAFCN action points:

(Note: Associate members are exempt from implementing these)

i) By 21 December 2012:

Those members who have not already done so should submit their service's Spokesperson's/Press Officers' contact details (- OAFCN media list).

Members to submit articles for the yearly press review. If the articles are not in English, a short English summary should be provided.

ii) 2013:

Media campaign, briefing for journalists and yearly press review (from the 2012 Action Plan) to be continued.

Proposed new action: member services, who have produced one, should submit anti-fraud videos to OLAF, who will create a film bank (similar to the image bank).

2013 joint OAFCN communication campaign:

The Network's cooperation is called upon to realise successful media coverage of the new Joint Customs Operation (- details provided in Finn Christensen's presentation and under point 11 of the minutes). OLAF will produce a basic press release, which should be adapted (i.e. seizures, arrests) and disseminated by members to their national journalists. Members' assistance is also required in producing photos and video material of actions taken during the operation by their respective services.

The suggestion to communicate an exclusive preview of the outcome to 'embedded journalists', such as AP or Reuters, towards the end of the 10-day operation period will be discussed internally at OLAF.