



Management Plan 2016

EUROPEAN ANTI-FRAUD OFFICE (OLAF)

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PART 1. Overview of main outputs for the year

The European Commission's General objectives are composed of the ten Juncker priorities and one for the horizontal services. OLAF contributes to two of those objectives: General objective No 11 (*"To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents"*) and General objective No 7 (*"An Area of Justice and Fundamental Rights Based on Mutual Trust"*).

General objective 1: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents

Impact indicator: Trust in the European Commission

Source of the data: Eurobarometer on Public Opinion in the European Union

Baseline (2015)	Target (2020)
40% tend to trust	Increase

Impact indicator: Staff engagement index in the Commission

Source of the data: European Commission

Baseline (2014)	Target (2020)
65.3%	Increase

The first General objective for OLAF is the one designed for all horizontal services. The related specific objective is rooted in Article 325 TFEU as well as in President Juncker's mission letter to Vice-President Georgieva¹.

General objective 2: An Area of Justice and Fundamental Rights Based on Mutual Trust

The second General objective corresponds to one of the ten policy priorities that President Juncker highlighted for this Commission. In line with that priority, the Commission Work Programme for 2016 provides that "In 2016 it will be important that the co-legislators move forward on the European Public Prosecutor's Office".

OLAF's main tool for protecting the financial and reputational interests of the EU is its power to conduct investigations. The investigations are the core activities to which OLAF's impact indicators refer. The relationship between the investigations and the related indicators is, however, not entirely straight forward. Unlike many other Commission goals, fighting fraud is hard to measure as it is impossible to measure the deterrent effect of our anti-fraud policies. The key objective therefore must be to ensure that investigations are conducted efficiently and effectively, in a timely manner, but not to the detriment of their quality.

It must be borne in mind that the results of the impact indicators also depend on several factors that are outside OLAF's sphere of influence. One of these factors is the *quality of information of investigative interest* that OLAF receives. While the amount of information has increased, this is not necessarily the case for the quality of that information. This might mean that more time and resources need to be invested in order to achieve a final good result. Only

¹ https://ec.europa.eu/commission/sites/cwt/files/commissioner_mission_letters/georgieva_en.pdf.

once sufficient proof can be collected that a fraud or non-fraudulent irregularity has taken place OLAF can issue a recommendation.

The *implementation of OLAF's recommendations* depends very much on the authorities who receive the recommendations. While OLAF monitors actively what follow-up is given to these recommendations it has little control over that follow-up.

A. Investigative and coordination activities

This section sets specific objectives, indicators and targets for the selection of cases to be opened by OLAF, the conduct of investigations and coordination activities, as well as the implementation of recommendations issued by OLAF as a result of its investigative and coordination activities.

Before opening an investigation, OLAF assesses if the case falls within its competence to act and establishes whether the information is sufficient to open an investigation or coordination case. The decision to open an investigation or not, always takes into account the principles of subsidiarity and proportionality, and the need for an efficient use of the Office's resources. The decision further takes into account the Investigation Policy Priorities (IPPs) of the Office (see Article 5 (1) Reg. 883/2013) setting out special sectoral priorities. The IPPs are determined on the basis of a risk assessment. They do not refer to any specific financial indicators but the financial impact is taken into consideration as part of the proportionality principle.² OLAF's IPPs for 2016 are attached to the present Management Plan as an annex.

For any opening decision, the IPPs need to be taken into consideration and applied with the necessary degree of discretion. The opening and carrying out of an investigation is done by OLAF in full independence without instructions from any government, institution, body, office or agency.³

Relevant General objective 1: To help achieve the overall political objectives, the Commission will effectively and efficiently manage and safeguard assets and resources, and attract and develop the best talents.

Specific objective 1: Efficient and effective management of OLAF's investigations and coordination actions

Main outputs in 2016:

Description	Indicator	Target
Speedy initial assessment of whether a case should be opened	Average duration of selections	No longer than 2 months
	Percentage of selections closed whose duration is no longer than 2 months	At least 75%
Reasonable duration of investigations	Average duration of investigations	No longer than 20 months.
	Percentage of on-going investigations lasting more than 20 months	Less than 30%
Efficient investigations	Percentage of investigations closed with recommendations	At least 45%

² See also European Parliament (European Parliament Resolution of 3 July 2013 on the Annual Report 2011 on the protection of the EU's Financial Interests – Fight against fraud (A7-0197/2013 / P7-TA (2013) 0318), paragraph 12).

³ See Article 17(3) of OLAF Regulation 883/2013.

Implementation of OLAF's financial recommendations	Average amount recovered for last 2 years compared to the average OLAF's budget for the same time period	A ratio of 2:1 or above between recoveries as a result of OLAF's investigations and OLAF's administrative budget
Implementation of OLAF's judicial recommendations	Average rate of indictment following OLAF's judicial recommendations issued in the last 7 years	At least 50% for the reporting period 2008-2016 (seven-year average is being used already in OLAF's annual report)
Implementation of OLAF's disciplinary recommendations	Average rate of actions taken by EU disciplinary authorities following OLAF's disciplinary recommendations in the last 3 years	At least 75% for the period 2014-2016

B. Investigation support

The Investigation Support Directorate in OLAF provides specialised services to support OLAF's investigation and coordination activities.

Within this Directorate, one unit monitors the efficiency, effectiveness and quality of the investigative process and supports it with the necessary tools. Data-gathering and analysis, forensic acquisition, as well as other relevant tools and related technical assistance are provided to OLAF investigative units and competent authorities in the Member States. As a result of restructuring in January 2014 a unit was created dedicated to coordinated action of OLAF's IT and specifically future IT needs. Furthermore there is a unit that provides in-house legal advice; this unit also handles complaints to the European Ombudsman and to the EDPS as well as requests for public access to documents and for access to personal data.

The latest reorganisation within OLAF took place in October 2015. In order to strengthen the OLAF investigative function a new investigative unit for "Agricultural and Structural Funds" was created. In the framework of reductions of both staff and budget, the creation of new units must be neutral in terms of costs. Therefore the staff and the activities related to investigative trainings and internal communication of the "Training and Communication" unit were redeployed to other existing units.

Specific objective 2: Provision of necessary IT tools to support OLAF's investigative activities		
<input checked="" type="checkbox"/> Non-spending		
Main outputs in 2016:		
Description	Indicator	Target
Deliver new OLAF Content Management (OCM) infrastructure	OCM Infrastructure is available	3rd quarter 2016

OLAF Content Management (OCM) is a tool used by all OLAF staff to manage cases and documents. The tool will allow users to organise case activities, handle case-related information, obtain approvals and decisions, and produce documents.

The new IT infrastructure will provide the necessary environment to run the system: secure environment, servers, operating systems and (biometric) identity management. It is developed in-house by OLAF and it is essential in order for the OCM to go live as planned, in 2016.

Specific objective 3: Compliance with legal obligations related to access to documents and personal data

Main outputs in 2016:

Description	Indicator	Target
Timely replies to requests from the Ombudsman and the EDPS complaints	% of replies within the timeframe foreseen by the relevant Regulations	100%
Timely replies to requests on access to documents and personal data	% of replies within the timeframe foreseen by the relevant Regulations	100%

C. Anti-fraud policy, including fraud prevention

OLAF is the lead service in the conception and development of a European Anti-Fraud Policy. It deals with all phases of fraud prevention and detection, from the conception of a policy, the implementation of existing and new policies, to the reporting on its progress and effectiveness.

By training and giving advice to the Member States' authorities and those in Candidate Countries in how to use the Irregularity Monitoring System and its new modules, OLAF aims to achieve compliance, by these authorities, with their obligations to report fraudulent and non-fraudulent irregularities. This will increase the protection of the EU's financial interests, as the potential fraud will be signalled and can then be investigated by OLAF or the relevant national authorities.

Development of anti-fraud policy and legislation in particular by reinforced engagement with the Member States and other partners

Specific objective 4: Protection of the financial interests of the EU by developing anti-fraud policy , legislation and enhancing the cooperation with the Member States and other partners

Non programme-based

Main outputs in 2016:

Description	Indicator	Target
PIF Directive	Adoption	2016
Delegated and Implementing acts following adoption of amendments to Regulation 515/97 – No 2015/1525	Adoption of implementing acts by the Comitology Committee Adoption of the delegated act by the Commission	1 st quarter of 2016

Annual Report (under Article 325(5) of TFEU) by the Commission to the EP and Council on the Protection of the EU's financial interests	Adoption by the Commission	3 rd quarter 2016
Guidelines to the Member States following the adoption in 2015 of the delegated and implementing acts laying down the reporting provisions for all expenditure fields under shared management for the new MFF (2014-2020)	Adoption (in cooperation with MS).	2016
Amendment of Regulation 883/2013 concerning the Secretariat of OLAF's Supervisory Committee	Proposal tabled by the Commission	1 st quarter 2016
Administrative cooperation arrangements (ACAs) set out practical details for the cooperation between OLAF and other entities, in particular in connection with investigations.	Number of newly established and revised ACAs	5 ACAs
Establish new working arrangements with Europol	Signature	2016
Revise working arrangements with the Supervisory Committee	Signature	2016
Organise AFCOS seminar	AFCOS seminar has taken place	2016
Review of OLAF's ACAs	Finalise review	2016
Report on the key achievements of the Office in the OLAF Report 2015	Publication of the Report	June 2016

Anti-fraud information system (AFIS)

AFIS is an umbrella term for a set of anti-fraud IT applications operated by the European Commission (OLAF) which create contacts with the competent authorities in the Member States. These ensure the timely and secure exchange of fraud-related information between national and EU competent administrations. The AFIS Project encompasses two major areas: Mutual Assistance in Customs Matters and Irregularities Management.

AFIS supports Mutual Assistance in Customs Matters with the secure real-time information exchange system V-OCU (Virtual Operations Coordination Unit) used for Joint Customs Operations, secure web mail (MAB-Mail), specific information exchange modules and databases like MAB (Mutual Assistance Broker), CIS (Customs Information System) and FIDE (Customs Investigation Files Identification Database); and analysis tools like A-TIS (Anti-Fraud Transit Information System).

The legal basis for AFIS' support of Mutual Assistance in Customs Matters is Council Regulation (EC) No 515/97 as amended by Regulation (EU) No 2015/1525⁴. AFIS also provides the IMS (Irregularities Management System), a secure electronic tool which facilitates the Member States' obligation to report irregularities detected in agricultural, structural, cohesion and

⁴ Regulation (EU) 2015/1525 of the European Parliament and of the Council of 9 September 2015 amending Council Regulation (EC) No 515/97 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.

fisheries funds as well as pre-accession aid, and which supports the management and analysis of irregularities.

The AFIS Portal is a single and common infrastructure for the delivery of the above-mentioned services to more than 8 000 registered end-users in more than 1 200 competent services from Member States, partner third countries, international organisations, Commission services and other EU Institutions. The AFIS Portal enables substantial economies of scale and synergies in the development, maintenance and operations of such a wide and diverse set of IT services and tools.

In the context of joint customs operations (JCOs), OLAF plays a key role in coordinating the work of several national customs authorities, exchanging information and acting together against internationally organised contraband. In view of the resource restrictions, OLAF's target is to initiate in future two JCOs annually. However, OLAF will, in addition, provide support to the JCOs requested by the Member States as it has done in the past. AFIS also provides the IT platform for JCOs.

Main outputs in 2016:		
Description	Indicator	Target
Availability of new irregularities reporting modules for the 2014-2020 period	IMS system fully operational in all Member States and candidate countries with reporting and analysis tools.	End of 2016
IMS Communication	Number of communications exchanged between the Member States and the Candidate Counties via IMS to fulfil their irregularities reporting obligations under the different regulations.	22 500
Support Mutual Assistance in Customs Matters through the provision of secure information exchange tools for Joint Operations and specific Customs anti-fraud information exchange modules and databases such as the Customs Information System	Number of active customs fraud cases for which information is available in the Mutual Assistance databases	14 500
	Number of Joint Customs Operations (JCOs) per year led by OLAF	2 JCOs
Review of ATIS (Anti-fraud transit information system) Administrative Arrangement of 2011	Adoption of renewed Administrative Arrangement	4th quarter 2016

Reduction of illicit trade in tobacco products

Specific objective 5: Reduction of illicit trade in tobacco products		<input checked="" type="checkbox"/> Non-spending
Main outputs in 2016:		
Description	Indicator	Target
EU Ratification of the FCTC-Protocol by the EU ⁵ and its Member States	Deposition of instruments of ratification	2nd half 2016
Conference to promote accession to the FCTC Protocol	Conference organised with at least 10 third countries	2nd half 2016

⁵ Council Decisions on the conclusion, on behalf of the European Union, of the Protocol to Eliminate Illicit Trade in Tobacco Products to the World Health Organization's Framework Convention on Tobacco Control; the Agenda Planning number is 2015/OLAF/001.

Commission/OLAF to assess the existing anti-contraband and anti-counterfeit agreement set to expire in 2016	Assessment completed	1st quarter 2016
OLAF/External contractor will analyse legislation and sanctions (criminal and administrative) applicable to illicit trade in tobacco products, compare the sanctioning practice within and amongst some MS and evaluate economic actors' market perspective	Signature of contract; interim reports; monitoring	4th quarter 2016
Eurobarometer Survey on public awareness about the effects of cigarette smuggling	Analysis of survey	2nd quarter 2016
A new laboratory facility for the analysis of seized cigarettes is established and beginning of operational analysis	Beginning of analysis of seizures in new laboratory and number of analysis carried out	New laboratory facility up and running by the end of 1st half 2016. For analysis: 100 tests in 2016.
Report on implementing the Strategy to step up the fight against cigarette smuggling and other forms of illicit trade in tobacco products	Adoption	4th quarter 2016

It is estimated that the smuggling of tobacco products costs the EU and Member States annual losses of around EUR 10 billion a year in lost revenue from customs duties and taxes. The Commission presented in June 2013 a strategy paper on how to step up the fight against cigarette smuggling. This Strategy was accompanied by an Action Plan setting out a number of regulatory and other initiatives which would contribute to reducing the illicit trade in tobacco products. These documents were largely endorsed by the Council in December 2013. At this moment, many of the Commission's activities in this field are in fact related to the implementation of the Strategy and the Action Plan.

Promoting activities in the field of the protection of the European Union's financial interests (Hercule III)

The specific objective of the Programme “shall be to prevent and combat fraud, corruption and any other illegal activities affecting the financial interests of the Union”⁶. The specific objective shall be measured through the four key performance indicators that are further elaborated below. The operational objectives⁷ of the Programme are:

- to improve the prevention and investigation of fraud and other illegal activities beyond its currently reached levels by enhancing transnational and multi-disciplinary cooperation;
- to increase the protection of the financial interests of the Union against fraud, facilitating the exchange of information, experiences and best practices, including staff exchanges;
- to strengthen the fight against fraud and other illegal activities providing technical and operational support to national investigation, and in particular customs and law enforcement, authorities;
- to limit the exposure of the financial interests of the Union to fraud, corruption, and other illegal activities compared to the level of exposure known today with a view to

⁶ Article 4 of Regulation 250/2014.

⁷ Article 5 of Regulation 250/2014.

- reducing the development of an illegal economy in key risk areas such as organised fraud, including cigarette smuggling and counterfeiting;
- to enhance the degree of development of the specific legal and judicial protection of the financial interests against fraud by promoting comparative law analysis.

In 2016, the Hercule Programme will be implemented on the basis of a Financing Decision and an annual work programme setting out the programme's priorities. The annual budget in 2016 is EUR 14.5 million.

Specific objective 6: To prevent and combat fraud, corruption and any other illegal activities affecting the Union's financial interests <input checked="" type="checkbox"/> Spending programme		
Main outputs in 2016		
Description	Indicator	Target
Annual overview with information on the results of the Hercule III Programme in 2015	Commission Staff Working Document accompanying the PIF report 2015	2016

Key performance indicators (KPIs)

Key performance indicators for 2016

The activities of the Office will revolve around the following key performance indicators (KPIs):

- Average duration of selections;
- Average duration of investigations;
- Percentage of investigations closed with recommendations.

Further information (definition, baseline and targets) on these KPIs can be found in the performance tables under the Specific objective 1 on page 6.

PART 2. Organisational management outputs for the year

A. Human Resource Management

HR Strategic Plan 2014-2016

OLAF adopted its first HR Strategic Plan in July 2014. It identifies the main HR challenges and the actions to put in place by 2016. OLAF's role in gaining and maintaining public trust in the European Union's capacity to protect taxpayers' money from fraudsters is essential. Therefore, a clear focus should be put on core investigative tasks and anti-fraud policy.

In 2016, two competitions in the investigative field will be launched. These competitions are meant to compensate the loss of expertise OLAF is facing due to the ageing of its staff and the termination of many temporary agent contracts

OLAF invests in the professionalization of OLAF staff and in continuous learning and training. In 2016, OLAF will continue to offer specific in house operational trainings. In addition, a special welcome day focusing on the investigative work is offered to all newcomers to OLAF to get familiar with the core business of the Office. The content of this specific training is regularly reviewed to take into consideration the feedback received from the participants. OLAF will also continue to support requests for specific external trainings as it can help senior investigators to keep their knowledge and skills up to date and as it is a good opportunity to exchange experience with the stakeholders.

In 2016, the identification of the units' needs in terms of competences that has been initiated last year will be pursued. This will lead to a better HR forward planning and the identification of learning paths per type of job.

In 2016, in order to improve sharing of knowledge and the communication within the DG, OLAF will continue to propose lunchtime debates and support teams focusing on work related issues that have a direct impact on teams' effectiveness.

OLAF staff is also giving trainings/speeches to stakeholders outside the DG and is organising visits within OLAF premises. These activities contribute to communicate a positive image of the Office vis-à-vis the outside world. Nevertheless, in a context of staff cuts, the cost/benefit of these actions should be monitored. In 2016, an analysis of the investment required, in terms of human and financial resources, for the delivery of these communication/trainings actions will be launched.

In the framework of the Commission's talent management policy, OLAF will continue to invest in the development of the managerial competences. Managers will be regularly invited to participate in trainings and coaching sessions for managers in order to enhance their managerial competences. A 360° exercise will be launched for at least one Directorate within the DG.

Systematic exit interviews will be organised with OLAF staff leaving the DG due to retirement, end of contract, personal long term leave or mobility. These interviews provide the OLAF HR unit with valuable information on staff engagement issues and job satisfaction levels, as well as other areas of improvement.

The mapping exercise initiated in 2015 will be completed. In the current situation of staff reductions and budget restrictions, it will be used as a basis for redeploying staff to the core activity of the Office and to define negative priorities.

Objective: The DG deploys effectively its resources in support of the delivery of the Commission's priorities and core business, has a competent and engaged workforce, which is driven by an effective and gender-balanced management and which can deploy its full potential within supportive and healthy working conditions.

Main outputs in 2016:

Description	Indicator	Target
Vacancies measure the capacity to use the job quotas allocated to the DGs. It represents the percentage of unused job quotas and vacant posts (frozen job quotas included) on the first calendar day of the month in relation to the total available job quota of the DG (both operational and special job quotas and loans in all establishment plans).	Vacancy rate (%)	Equal or lower than the Commission average at the end of 2016
Increase gender balance through promotion of equal opportunities	Representation of women in Middle Management posts in OLAF	Commission level: No target fixed by DG HR per year, however the target is fixed for 2019 (Commission on 15 July 2015 – SEC(2015)336) Reach the 2019 target for MM each year.
The annual sick leave rate, based on 365 days, is computed for officials, temporary agents and contract staff and includes the following types of absences: with and without medical certificate, medical visit outside place of employment, mandatory leave on health grounds and medical part time. It is calculated by dividing the number of sick leave days by the number of assignment days.	Sick leave rate (%)	Equal to or lower than the Commission average.
The proportion of jobs categorised as local overheads (with adjustments for inter-service contributions) in the Screening process. Overheads refer to administrative support (HR, document management, IT, logistics, etc.) and coordination	Local overheads (%)	Close to Commission average
Train investigative staff	Newly appointed investigators trained	At least one training session per year for new investigators
Positive staff engagement index	Average of positive response to DG HR staff survey (%)	Close to Commission average
Percentage of staff who feel that the Commission cares about their well-being ⁸	Result of Commission staff survey (%)	Close to Commission average

⁸ This indicator may be replaced by a fit@work index on which DG HR is currently working.

B. Financial Management: Internal control and Risk management

In relation to the control effectiveness as regards legality and regularity, OLAF has set up the internal control processes aimed to ensure the adequate management of the risks relating to the legality and regularity of the underlying transactions. The control objective is to ensure that the cumulative budgetary impact of any residual error rate does not exceed 2%. The capacity to detect and correct the errors having a financial impact is also a key element in the control strategy that is carefully monitored in OLAF. The indicators regarding the estimated overall amount at risk for the year for the entire budget under the DGs responsibility and the estimated future corrections are not key management indicators for OLAF but rather corporate ones. Therefore OLAF is maintaining corporate targets for these indicators.

Overarching objective: The Authorising Officer by Delegation should have reasonable assurance that resources have been used in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions including prevention, detection, correction and follow-up of fraud and irregularities.		
Objective: Effective and reliable internal control system giving the necessary guarantees concerning <u>the legality and the regularity of the underlying transactions</u>		
Main outputs in 2016:		
Description	Indicator	Target
Error rate detected on the legality and regularity of the underlying transactions in DG OLAF	Estimated residual error rate	Less than 2%
Estimated overall amount at risk for the year for the entire budget under the DGs responsibility.	Estimated overall amount at risk	Less than 2%
Estimated future corrections	Estimated future corrections	To achieve corrections enabling to maintain the residual error rate below 2%
Objective: Effective and reliable internal control system in line with <u>sound financial management.</u>		
Main outputs in 2016:		
Description	Indicator	Target
Part of the cost of control in proportion of the budget controlled.	Cost of control in proportion of the budget controlled (%).	Grants < 15% Procurements < 5%

Objective: Minimisation of the risk of fraud through application of effective anti-fraud measures, integrated in all activities of the DG, based on the DG's anti-fraud strategy (AFS) aimed at the prevention, detection and reparation of fraud.

Main outputs in 2016:

Description	Indicator	Target
Regular monitoring of the implementation of the anti-fraud strategy and reporting on its result to management	Reporting to the management on the implementation of the anti-fraud strategy.	Twice per year
Updated anti-fraud strategy of OLAF, elaborated on the basis of the methodology provided by OLAF ⁹	Updated anti-fraud strategy	Update every year, as set out in the AFS
Fraud awareness is increased for all newcomers	New comers trained on Ethic's matters (%)	100% target population reached

Initiatives to improve economy and efficiency of financial and non-financial activities

Despite the consecutive staff cuts, so far OLAF has managed to deal effectively with the structural increase of its workload. Several reorganisations since 2012 have led to a better distribution of responsibilities and competences, the reduction of non-core activities, overheads and administrative burden and have improved the efficiency of investigations, despite the increased notification duties and legality checks imposed by Regulation 883/2013. The most recent reorganisation, which took effect on 1 October 2015, is yet another initiative which results in a further reduction of the overheads (below the Commission average) and a redeployment of staff from support functions to investigation. This reorganisation led to the creation of the new investigative Unit B5 that is composed of roughly 15 staff members. This reorganisation has been neutral in terms of the financial and human resources of the Office.

⁹ The methodology can be found on the FPDNet website: <https://myintracomm.ec.europa.eu/serv/en/fraud-prevention/ToolBox/Documents/Methodology%20and%20guidance%20for%20DGs%20anti-fraud%20strategies.pdf>. In particular paragraph 3 of the methodology is relevant.

C. Better Regulation (only for DGs managing regulatory acquis)

The evaluation of Regulation 883/2013¹⁰ is envisaged to be submitted by 2 October 2017 to the EP and the Council as required by its Article 19. To this end an external contractor will be selected in a tendering procedure in 2016. In the context of the evaluation a conference on the future role of OLAF in view of the establishment of the European Public Prosecutor's Office is to take place towards the end of the year.

Specific objective: Prepare new policy initiatives and manage the EU's acquis in line with better regulation practices to ensure that EU policy objectives are achieved effectively and efficiently.

Main outputs in 2016:

Description	Indicator	Target
Finalise the tender procedure for awarding of the external contractor for the Evaluation of Regulation 883/2013	Contract awarded	3 rd quarter 2016
Organise the stakeholder conference on the relation between EPPO and OLAF	Conference has taken place	4 th quarter 2016

D. Information management aspects

Due to the specific nature of OLAF's work, conducting administrative investigations into allegations of fraud, corruption and other activities to the detriment of the EU's financial interest or reputation, OLAF is subject to strict data protection and confidentiality rules. Therefore the majority of files registered in OLAF are shared on a strict "need to know" basis. As a result the percentage of HAN files shared with all units and other DGs is virtually 0%.

Objective: Information and knowledge in your DG is shared and reusable by other DGs. Important documents are registered, filed and retrievable

Main outputs in 2016:

Description	Indicator	Target
OLAF uses both Ares as well as its own registration/document system (THOR). In THOR 100% of documents are filed, including also those that are sent from THOR to other DGs via Ares. In THOR OLAF monitors closely the filing of its records as this is a prerequisite to their visibility in the Case management application (CMS) currently in use by the investigators.	Percentage of registered documents that are not filed ¹¹ (ratio) (mandatory)	(ARES) 0,5% (THOR) 0.01%

¹⁰ Agenda Planning number: 2017/OLAF/001

¹¹ Each registered document must be filed in at least one official file of the *Chef de file*, as required by the [e-Domec policy rules](#) (and by ICS 11 requirements). The indicator is to be measured via reporting tools available in Ares.

E. External communication activities

When European funds are lost to fraud, European taxpayers are ultimately the victims. It is therefore crucial that European citizens are informed about the work of OLAF, as a dedicated service that benefits taxpayers by protecting the EU budget and making sure their money is well spent.

Our actions will be geared to informing our target audiences on how OLAF contributes to a sound financial administration of the EU budget and why it is essential to maintain a policy of zero tolerance to fraud. By proactively communicating on OLAF successes, case studies, results and initiatives, we aim to contribute to fraud prevention and deterrence. We will strive to continue nourishing a positive relationship with press both in Brussels and in the EU Member States, ensuring coverage of our activities and outcomes. We will also raise awareness of OLAF's mission and activities with the relevant public authorities at Member State level, as well as with the NGO sector and other stakeholders. Through all our communication channels, we will showcase OLAF's work in a clearer and more reader-friendly manner, based on concrete figures and explanations.

The OLAF Press Office will try to constantly increase the number of people reached directly through our communication actions. We will consistently monitor the reach of our communications materials, determining the number of views our press releases and news stories get on the OLAF website, as well as the number of people who view our videos. We will also analyse the number of articles written about OLAF within the last year, and see which percentage of them present OLAF in a positive light.

Objective: Citizens perceive that the EU is working to improve their lives and engage with the EU. They feel that their concerns are taken into consideration in European decision making and they know about their rights in the EU.

Indicator: Percentage of EU citizens having a positive image of the EU

Definition: Eurobarometer measures the state of public opinion in the EU Member States. This global indicator is influenced by many factors, including the work of other EU institutions and national governments, as well as political and economic factors, not just the communication actions of the Commission. It is relevant as a proxy for the overall perception of the EU citizens. Positive visibility for the EU is the desirable corporate outcome of Commission communication, even if individual DGs' actions may only make a small contribution.

Source of data: Standard Eurobarometer (DG COMM budget) [monitored by DG COMM [here](#)].

Baseline: November 2014

Target: 2020

Total "Positive": 39%

Neutral: 37 %

Total "Negative": 22%

Positive image of the EU equal to or above 50%

ANNEX 1. THE 2016 INVESTIGATION POLICY PRIORITIES (IPPs) OF THE OFFICE

At the beginning of the investigation selection phase, first OLAF's competence needs to be confirmed, followed by an assessment of whether there is sufficient suspicion in the allegation. If these two requirements are met, then OLAF decides whether or not to open an investigation based on the criteria set out in the Article 5(1) of Regulation 883/2013. This requires taking into account the Office's IPPs. OLAF shall also take into account whether opening an investigation would constitute an efficient use of the Office's resources and would respect the proportionality principle. In the proportionality check, the level of EU financial resources at risk is a relevant indicator.

Art. 17(5) of Regulation No 883/2013 provides that the OLAF Director-General each year shall determine, within the Office's annual management plan, the investigation policy priorities of OLAF. These IPPs are determined on the basis of the information resulting from OLAF's activities, inter alia taking into account feedback as well as key documents issued by stakeholders.

The OLAF IPPs should not be used by other Commission services, EU bodies or national authorities as justification not to report a suspected fraud to OLAF.

For 2016, the IPPs are established as follows:

1. Cases with indications of fraud or corruption in relation to transport and infrastructure network projects, in particular public procurement procedures;
2. Cases of fraud of significant impact or of a structural nature concerning specific projects (co)financed by the European Social Fund, the European Regional Development Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the Pre-accession Funds, in which action by the Member States or Candidate Countries may be insufficient;
3. Cases of fraud indicating possible abuses of origin rules, tariff classification in both preferential and non-preferential trade regimes and valuation-related fraud, in order to evade payment of conventional customs duty and anti-dumping duties;
4. Cases of smuggling of tobacco and counterfeit medicines into the EU; and illegal manufacturing of tobacco.

The feedback and documents from stakeholders that were considered in this context are in particular the following:

- The views expressed by participants during the inter-institutional Exchange of Views on 28 September 2015.
- The feedback received from the Commission's Fraud Prevention and Detection Network following a meeting held on 8 July 2015.
- The latest PIF Reports¹²:
 - These reports indicate breaches of the public procurement rules and procedures as amongst the most significant causes for irregularities and frauds, given the financial amounts involved. Transports and infrastructures are the sectors most affected. A relevant outside study identified procedures relating to infrastructure networks as particularly vulnerable¹³. In 2013, new rules were adopted at EU level to strengthen the legal framework, through a package of directives, which will have to be progressively followed-up through implementation in the Member States. Therefore, currently, this particular area remains sensitive.
 - The same PIF Reports also identify the Pre-accession Funds as an area in which fraud detection rates are consistently higher than any other sector.
- The European Court of Auditors Annual Reports: In the last five years¹⁴, these reports have indicated that the areas of the European Regional Development Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Social Fund all present an Error Rate well above the materiality threshold.
- European Parliament Resolutions: These resolutions e.g. point out the abuses of origin rules and tariff classification in both preferential and non-preferential trade regimes as an important problem¹⁵, and stress the significant impact on the budgets of both the EU and the Member States caused by tobacco smuggling¹⁶.

¹² Commission Reports on the Protection of the European Union's financial interests – Fight against fraud: 2011 (COM(2012) 408 final); 2012 (COM(2013) 548 final); 2013 (COM(2014) 474 final); 2014 (COM(2015) 386).

¹³ Study financed by the European Commission (OLAF): Identifying and Reducing Corruption in Public Procurement in the EU, conducted by PricewaterhouseCoopers and Ecorys, 2013.

¹⁴ Including the ECA Annual Report concerning the Financial Year 2012 (OJ Reference: 2013/C 331/01, 14.11.2013), ECA Annual Report concerning the Financial Year 2013 (OJ Reference: 2014/C 398/01, 12.11.2014) and ECA Annual Report concerning the Financial Year 2014 (OJ Reference: 2015/C 373/01, 10.11.2015).

¹⁵ See e.g. European Parliament Resolution of 3 July 2013 on the Annual Report 2011 on the protection of the EU's Financial Interests – Fight against fraud (A7-0197/2013 / P7-TA (2013) 0318) (From now on: "EP Resolution"), paragraphs 16-31.

¹⁶ EP Resolution, paragraphs 36-40. See also Commission Communication on stepping up the fight against cigarette smuggling and other forms of illicit trade in tobacco products COM(2013) 324 and Action Plan SWD(2013) 193 and Council conclusions of 10 December 2013 on stepping up the fight against cigarette smuggling and other forms of illicit trade in tobacco products in the EU (16644/13).