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# Case on digital forensics. National Anti-Fraud Strategies

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The training has been organised by EIPA and CPVA  
under the Framework Contract Nr 2023CE160AT004.

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## Day 2

- Resistance of an Economic Operator
- Digital Forensics
- National Anti Fraud Strategies (NAFS)
- Break out rooms on IT tools and databases**





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## Case of economic operator resisting checks





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## Assistance to OLAF investigators when the economic operator resists the check

- What happened when for the first time in BG an economic operator **resisted** a check?
- What happens when **digital forensic operations** are in place?
- How can an investigation lead to **change in legislation**?

Chapter three:  
"a". RENDERING ASSISTANCE TO THE INSPECTORS OF THE EUROPEAN COMMISSION FOR GRANTING ACCESS TO PREMISES AND/OR DOCUMENTATION FOR CARRYING OUT ON-THE-SPOT INSPECTIONS AND CHECKS UNDER COUNCIL REGULATION (EURATOM, EC) NO 2185/96 OF 11 NOVEMBER 1996 CONCERNING ON-THE-SPOT CHECKS AND INSPECTIONS CARRIED OUT BY THE COMMISSION IN ORDER TO PROTECT THE EUROPEAN COMMUNITIES' FINANCIAL INTERESTS AGAINST FRAUD AND OTHER IRREGULARITIES (NEW - SG 98/08)

Art. 31a. (new - SG 98/08) Under the order of this Chapter shall be rendered assistance to the inspectors of the Commission for carrying out on-the-spot inspections and checks, in case of:

1. denied access to premises, means of transport, and also other places used for keeping documents, recordings of computer information data, carriers of computer information data of the checked organisation or of a person under Art. 4, Item 7, financed by funds under international treaties or programmes of the European Union;
2. denied provision of documents, recordings of computer information data, carriers of computer information data, necessary for the check, where access under Item 1 has been granted.

**First case: 2008**  
 Amendment in Law: 2008




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## Possible scenarios

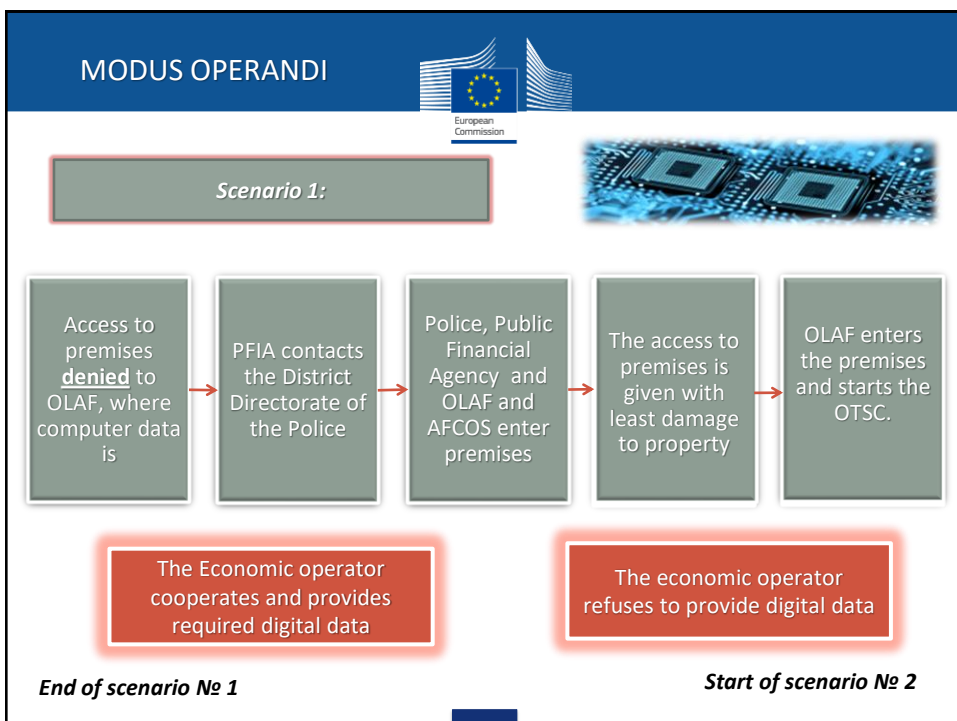
- The Public Financial Inspection Agency (PFIA) shall provide assistance to the inspectors of the OLAF for carrying out OTSC, in case of:
  1. **Denied access to premises**, means of transport, and also other places **used for keeping documents, recordings of computer information data, carriers/storage of computer information** data of the investigated organization/person’;
  2. **Denied to provide voluntarily** documents, **recordings of computer information data, carriers/storage of computer information data**, necessary for the check, **where access has been granted**.

*\*Carrier of computer data – hard drive, SSD, USB, CD, DVD, storage devices, memory card, phone, tablet, PC, etc.*

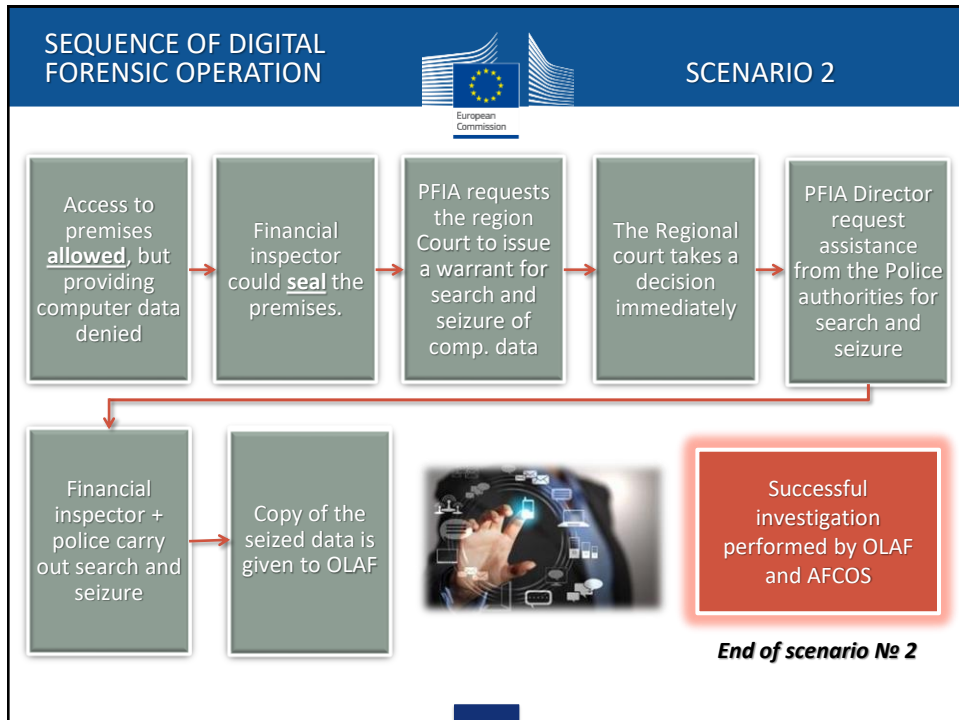



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**Sanctions in BG Law**

- In case of failure to grant the OLAF's Investigators access to premises, means of transport, and also other places used for keeping documents, recordings of computer information data, carriers of computer information data of the checked organization or of a person shall be fined from **BGN 1000 to 5000 (500-2500 euro)**
- In case of failure to provide documents and/or computer information data necessary for the inspection of the OLAF's investigators, the checked organization or person shall be fined **BGN 1000 to 5000 (500-2500 euro)**
- In cases where violations of art. 32a and art. 32b are repeated, the offender shall be imposed a fine or a pecuniary penalty in double size. Violations shall be established by acts issued by financial inspectors and the punitive decrees shall be issued by the director of the agency or authorized by him officials.

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➤ **NATIONAL STRATEGY**

**FOR PREVENTION AND FIGHT AGAINST IRREGULARITIES AND FRAUD AFFECTING THE EUROPEAN UNION'S FINANCIAL INTERESTS FOR THE PERIOD 2021– 2027**

Why: The European Commission encourages each Member State to adopt a NAFS.

- Part of the recommendations of ECA Reports;
- New Commission Anti Fraud Strategy and Action Plan (April 2019)

Only 11 Member states have developed a national anti-fraud strategy and have officially transmitted it to the Commission for the period 2014-2021

**A.II.3. Shared management**

Number	Objective	Action	Lead service	Due date
37	Coordination, cooperation and processes	Encourage Member States to put in place national anti-fraud strategies, and provide advice and support in this respect.	REGIO, AGRI, EMPL, MARE, HOME <u>Coordination and support</u> OLAF	Continuous




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## General Provisions

- The National Strategy 2021-2027 (adopted in 11.2020) is in line with the new initiatives for protection of the EU's financial interests: PIF Directive, EPPO Regulation, ECA Recommendations, PIF Recommendations.
- The NAFS follows the Cycle of the fight against fraud:
 

**Prevention    Detection    Investigation    Sanctions    Recovery**
- The Strategy describes the **strategic actions** of the competent national authorities in Bulgaria (the authorities involved in the management and control of EU funds, revenue authorities, public security and law enforcement authorities) - both expenditure and revenue part of the budget for 2021-2027.
- The strategic goals and actions are defined on the basis of the analysis of the mechanism for the protection of the EU's financial interests – **FRAUD RISK ANALYSIS** of the system where the main actors are MA, CA and AA.



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## Who is responsible?

- For coordination: AFCOS or a structure with wide-range of coordination functions
- For elaboration of Strategy: All authorities involved in spending and control of EU Funds, mainly: **MA, CA, AA**, AFCOS, Prosecutor's office, Revenue agencies
- For adoption: Best option to be adopted officially – Council of Ministers; Parliament or other.




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### Strategic goal 1: Improvement of prevention

- Implementation of Anti-Fraud Policies, incl. Conflict of interests
- Make fraud risk assessment more robust by involving relevant external actors
- Expanding AFCOS functions
- Increase of administrative capacity
- Increasing transparency
- Use of integrated databases

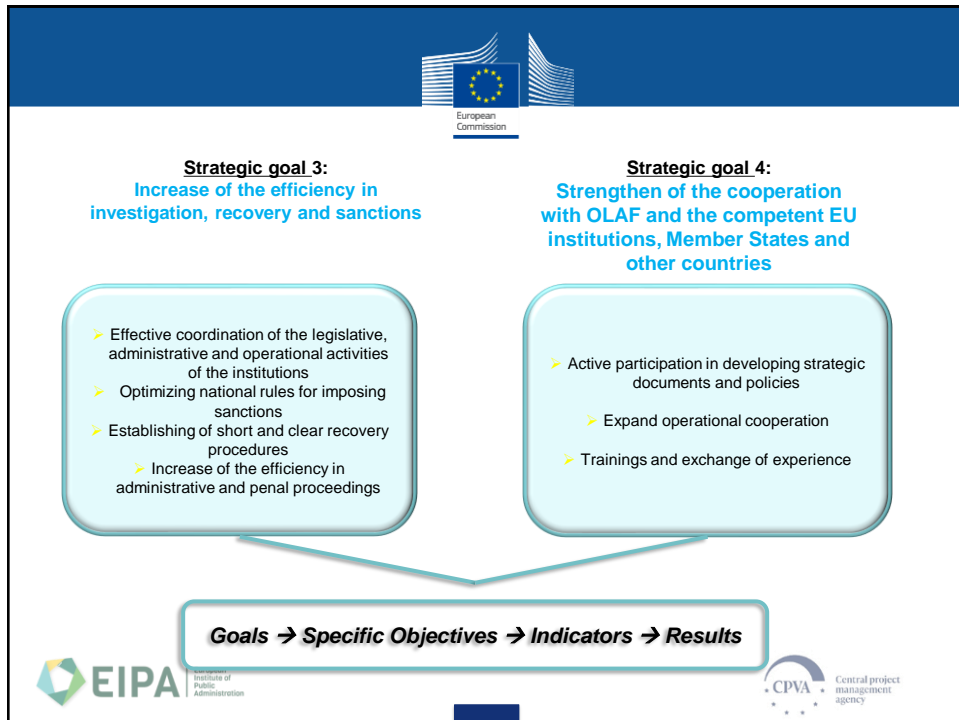
### Strategic goal 2: Increase of the efficiency in detection and counteraction to irregularities and fraud

- Improvement measures to detect fraud
- Transposition of Whistleblowers Directive
- Revision of Cooperation agreements
- Increasing of cooperation in Revenue side and implementation of Customs strategies in fight against fraud
- Increasing internal control in authorities
  - Specialized trainings

**Goals → Specific Objectives → Indicators → Results**

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## BREAK OUT ROOM

- Elaborate as investigator a list of different databases in order to identify the occurrence of fraud







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## Specific sources of information

- Google info, online ID's
- Sales receipts register
- GPS tracking
- Press monitoring
- Register of debtors
- Insolvency / Bankruptcy register
- National register of courts
- Tax clearance certificate
- Banca dati unica antimafia (BDNA) / Certificazione Anti Mafia
- Business, Commercial or Trade Register
- EBR (European Business Register)
- Central Bank register for bank accounts
- Land register / European land register
- Diploma Register
- VAT register (Value-added tax) / VIES database (VAT Information Exchange System)
- Social security database
- EDES (Early Detection and Exclusion System)
- CESOP (Central electronic system of payment information)

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