

DECISION OF THE COLLEGE OF THE EUROPEAN PUBLIC PROSECUTOR'S OFFICE OF 24 NOVEMBER 2021

ON THE ADOPTION OF THE SINGLE PROGRAMMING DOCUMENT OF THE EUROPEAN PUBLIC PROSECUTOR'S OFFICE FOR THE PERIOD 2021-2023

The College of the European Public Prosecutor's Office (EPPO),

Having regard the Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO'), and in particular Articles 11, 19 and 114 thereof,

Having regard to Decision 002/2021 of the College of the European Public Prosecutor's Office of 13 January 2021 on the Financial Rules applicable to the European Public Prosecutor's Office, and in particular Article 32 thereof,

Upon proposal by the European Chief Prosecutor, as prepared by the Administrative Director of the EPPO,

Has adopted the following decision:

Article 1

Adoption of the Single Programming Document

The Single Programming Document of the European Public Prosecutor's Office for the period 2021-2023, as presented in the Annex which forms integral part of this decision, is hereby adopted.

Article 2

Entry into force

This decision shall enter into force on the date following that of its adoption by the College of the EPPO.



EUROPEAN
PUBLIC
PROSECUTOR'S
OFFICE

COLLEGE DECISION 119/2021

Done at Luxembourg on 24 November 2021.

On behalf of the College,

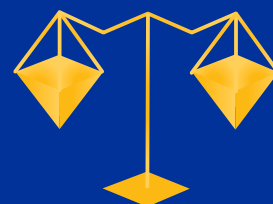
Laura Codruța KÖVESI
European Chief Prosecutor



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ANNEX

EUROPEAN PUBLIC PROSECUTOR'S OFFICE

Single Programming Document

2021–2023

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FOREWORD



During 2020, the EPPO grew from an **embryonic phase** to an office **carrying out, since 1 June 2021, its core prosecution mission.**

The European Public Prosecutor's Office is built on two levels: the central and the decentralised level. At the central level, the European Chief Prosecutor, 22 European Prosecutors (one per participating Member State – two of whom act as Deputies for the European Chief Prosecutor), the Administrative Director and the administration and support services have begun the operational phase. The process of appointing the European Delegated Prosecutors, who are located in the participating Member States, has progressed to the point to allow confirmation of operation launch on 1 June 2021.

These first foundations have been brought to a sufficient level of maturity within the constraints on human resources authorised by the Budgetary Authority for the enabling of the start of operations, and for advancing the EPPO's autonomy from the initial support of the European Commission (financial and IT autonomy).

The EPPO' operational deployment, from June 2021 onwards, will coincide with the implementation of the **new EU recovery plan**. The EU's long-term budget, coupled with NextGenerationEU – the instrument designed to boost the EU's economic recovery – will be the largest stimulus package ever financed through the EU budget. A total of €1.8 trillion will help rebuild a post-COVID-19 Europe. To **help repair** the economic and social damage caused by the coronavirus pandemic, the European Commission, the European Parliament and EU leaders have agreed on a plan that will lead the way out of the crisis and lay the foundations for a modern and more sustainable Europe. The purpose is to make the Union greener, more digitally advanced and more resilient.

The EU's new long-term budget will increase **flexibility mechanisms** to guarantee it has the capacity to address unforeseen needs. It is a budget fit not only for

today's realities, but also for tomorrow's uncertainties. More flexibility, however, may also increase the risk for **irregular spending**. This is the other side of the coin, and a real issue.

With responsibility for investigating, prosecuting and bringing to judgment the perpetrators of, and accomplices in, **offences against the Union's financial interests** – such as fraud, corruption or serious cross-border VAT fraud – the EPPO will have a **key role** to play in protecting the EU budget. Its mission, as stated by its founding regulation, will be, in this specific context, a front-line job. The Office will operate independently as a single entity across all participating Member States, and will combine European and national law enforcement efforts in a unified, seamless and efficient approach.

Since 6 July 2019, the **new rules on the fight against fraud to the Union's financial interests** have improved the level of protection of the EU budget, by harmonis-

ing the definitions, sanctions and limitation periods of criminal offences affecting the Union's financial interests.

The operational start of the EPPO is a **game-changer**. Formerly, only national authorities could investigate and prosecute fraud against the EU budget. Their powers stopped at national borders. Europol, the European Anti-Fraud Office (OLAF) and Eurojust lack the necessary competences to carry out criminal investigations and prosecutions.

Our first objective is to be fully operational and efficient. Protecting the EU budget by fighting fraud and corruption will reinforce the rule of law in the EU, and the trust of the citizens in the European integration process. It will reinforce the European commitment.

Laura Kövesi,
European Chief Prosecutor

List of Acronyms

AWP: Annual Work Programme

CA: Contract Agent

CAFS: Commission Anti-Fraud Strategy

CARIN: Camden Asset Recovery Inter-Agency Network

CMS: Content Management System

ECA: European Court of Auditors

ECR: EPPO Crime Report

EIB: European Investment Bank

FATF: Financial Action Task Force

IBOA: Institutions, bodies, offices and agencies

ICF: Internal Control Framework

KPI: Key Performance Indicator

PMO: Paymaster Office

SFTP: Secure File Transfer Protocol

TA: Temporary Agent

WA: Working Arrangement



Mission Statement

The European Public Prosecutor's Office investigates, prosecutes and brings to judgment the perpetrators of, and accomplices in, offences against the Union's financial interests. It exercises the functions of prosecutor in the competent courts of the participating Member States in relation to such offences.

During 2021–2023, the EPPO's specific mission is to develop to the point of fully performing the mission indicated by the legislator, within the limit of the resources at its disposal.



Section I

General Context

The SPD 2021–2023 marks the beginning of the first strategic period for the European Public Prosecutor's Office (EPPO). This new Europe-wide body is to investigate and prosecute crimes affecting the financial interests of the EU – including large-scale, cross-border fraud against the Union budget. The EPPO is, over the course of 2021–2022, finalising its set-up (administrative and operational), and commenced operations of its prosecutorial duties in June 2021.

Covid-19 pandemic

The European Public Prosecutor's Office (EPPO) has started operations within a challenging enforcement landscape. The global Covid-19 outbreak has heightened the risk of fraud and other illicit activities that affect the Union budget, due to the unprecedented EU spending mobilised in response to the pandemic – amounting to €1.8 trillion of funding over the years 2021–27, together with increased flexibility in deploying it.

In this scenario, the workload and the demands placed upon the EPPO in the coming years may increase substantially, over-stretching its already limited capacity to protect the Union's financial interests. The Office will continue to proactively engage with stakeholders to anticipate further risks and safeguard its continued ability to effectively fulfil its mandate, in terms of the adequacy of the budgetary and human resources to which it has been allocated.

EU and global anti-fraud architecture

Commission's Anti-Fraud Strategy 2019

The start of the operations of the EPPO should also be an important step forward in bringing new impetus to the overall anti-fraud architecture of the Union.

The EPPO will endeavour to be actively involved in the main strategic EU initiatives in this area, notably the revised 2019 Commission's Anti-Fraud Strategy (CAFS). The EPPO intends to build, in particular, on the 2019 CAFS and the accompanying plan to inform its investigative and prosecutorial strategies, policies and priorities, and also to gain additional strategic orientation regarding the conception and development of an EU anti-fraud policy.

International level

In the international arena, the EPPO will seek to support and develop synergies with various networks of practitioners relevant to its activities, including the Financial Action Task Force (FATF) and the Camden Asset Recovery Inter-Agency Network (CARIN). The EPPO will also pursue closer cooperation with INTERPOL and its Global Focal Point Network on Asset Recovery, as well as with other global initiatives to trace, seize, and return stolen public funds to the country of origin. In the anti-corruption field, the EPPO will benefit from the experience of relevant multi-lateral organisations all over the world, within the framework of the UN Convention against Corruption (UNCAC).

EU anti-corruption

Having commenced its operations, the EPPO will also endeavour to contribute to the development and implementation of an effective EU-wide anti-corruption policy, in which prevention and enforcement methods complement each other.

Cooperation with partners

Reform of OLAF, Eurojust and Europol

To achieve its objectives, the EPPO will need to establish effective cooperation with its key partners. At the EU level, close cooperation with Europol, OLAF and Eurojust in particular remains essential for ensuring that the scope of investigations into offences affecting the Union's budget is comprehensive, and that the new institutional design for the fight against fraud is fully effective.

The recent reform of Eurojust, OLAF and Europol have furthered the basis for this important partnership. They notably include specific rules on cooperation based, *inter alia*, on exchange of information, complementarity and avoidance of duplication. The amendments to the Europol mandate will introduce a "hit/no-hit" link between EPPO and Europol. Thanks to these "hit/no-hit connections" between their case management systems, Eurojust, Europol and the EPPO will be aware of ongoing investigations and prosecutions.

Based on respective working arrangements, the EPPO will continue to seek further synergies with all its partners, particularly when both bodies may rely upon evidence generated by the other.



Authorities of non-participating Member States and third states

Additional challenges for the EPPO's mandate stem from the relationship between the Office and non-participating Member States, on the one hand, and justice institutions in third countries, on the other. This fragmentation will tend to make the EPPO's tasks more complex and more difficult to fulfil for cross-border cases that involve suspects from these countries.

To address this, the EPPO continues to pursue efforts to establish equally strong relationships with the Member States that have chosen not to take part in the EPPO, with which close and effective cooperation is ever more crucial to ensure that there are no gaps in the protection of the Union budget. In addition, the EPPO has initiated negotiations to conclude working arrangements with the authorities of third states – in particular, when their cooperation is anticipated to be critical in the investigation and prosecution of cross-border cases falling within its competence.

EU Multiannual Financial Framework 2021–2027

The ability of the Office to deliver on its mandate will largely depend on the resources allocated to it, which need be commensurate with the high hopes, but also heavy demands, placed on the EPPO from the outset.

Specifically, the Office will need the means to effectively process its caseload, including those complex large-scale transactional cases, which it was set up to tackle in the first place, and where national law enforcement efforts remain fragmented or absent.

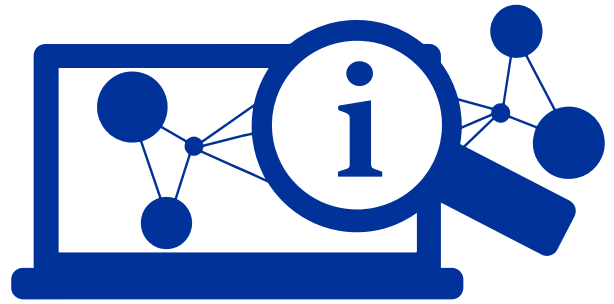
The EPPO's capacities remain constrained by the resources perspective considered in the EU Multiannual Financial Framework 2021–2027. Likewise, in spite of the trends described above, this Multiannual Financial Framework will limit the Office's ability to accommodate the operational work growth resulting in particular from NextGenerationEU.

Digitalisation of criminal justice

The operationalisation of the EPPO will equally build on broader EU-level efforts towards the digitalisation of justice, and criminal justice in particular.

In December 2020, the European Commission adopted a package of initiatives to modernise the EU justice systems, including the Communication on the Digitalisation of Justice in the EU. The Covid-19 pandemic has given an extra impetus to digitalisation efforts.

To capitalise on these new possibilities, the EPPO will continue to develop and consolidate its in-house capabilities to support the Office's operational and strategic goals. At this stage, this consists primarily of the setup of a high-performing



case management system, as well as improvements to its inter-operability both at the Member State and at EU level, in spite of highly divergent IT infrastructures – notably in different participating Member States' criminal prosecution systems.

Section II

Multi-annual programming 2021–23

1. First EPPO multi-annual work programme

The EPPO has set six strategic objectives for the period 2021–2023, organised around three major action areas of the Office, as shown below.

Prosecution casework

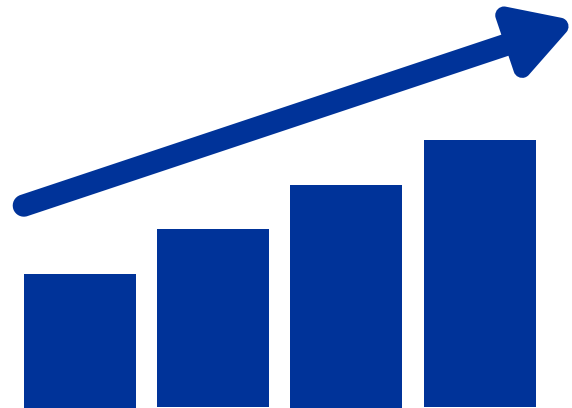
1. Achieve smooth and effective transition from start-up to normal phase of operations
2. Improve overall investigation and prosecution rates of offences affecting the EU's financial interests.
3. Consistent use of asset recovery instruments available to prosecutors in relation to offences affecting the EU's financial interests.

Cooperation/policy work

4. Develop close cooperation and effective information exchange with key partners
5. Contribute to shaping and harmonising the fight against fraud across the EU

Management and organisational maturity

6. Ensure effective organisational structure and processes, including professional, transparent and efficient management of the Office
7. Effectively communicate the EPPO's successes and added value to stakeholders and to the general public



The scope and level of detail of the objectives reflects the fact that this is the first multi-annual work programme in the life cycle of the EPPO. Its implementation will be ensured through the development and application of practical action plans and monitored by corresponding Key Performance Indicators (KPIs), mostly focused on measuring organisational maturity, workload and output. Longer-term strategic goals for the Office relating to the prevention of crimes and the recovery of misused EU funds were taken into consideration for inclusion in subsequent cycles (with Key Performance Indicators, subject to further evaluation).

The EPPO will report to its stakeholders on the progress made during the initial operation period 2021–2023 and perform an end-of-cycle evaluation of the objectives as a preparation towards the next strategic plan for the 2024–2026 cycle.

In a nutshell, the proposed indicators and targets, when they can be defined at such an early stage after start of operations, are indicative.

I. Area: Prosecution Casework	
Achieve smooth and effective transition from start-up to normal phase of operations	<p>Indicator: Information on crimes received by the Office in accordance with Article 24 of the Regulation are handled in an effective and timely manner</p> <p>Data source: Annual statistics</p> <p>Baseline: n/a</p> <p>Target 2021–23: Incoming information is processed within the statutory deadlines stipulated in the EPPO Regulation. Backlog of cases reported from competent authorities of the Member States is progressively cleared.</p>
Improve overall investigation and prosecution rates of offences affecting the EU's financial interests	<p>Indicator: Number of investigations and prosecutions initiated by the EPPO in the reporting period</p> <p>Data source: Annual statistics</p> <p>Baseline: Statistics of investigations and prosecutions of PIF offences at national level</p> <p>Target 2021–23: 5% increase yearly against baseline</p>
Consistent use of asset recovery instruments available to prosecutors in relation to offences affecting the EU's financial interests	<p>Indicator: Percentage of cases prosecuted or where simplified prosecution was applied in which assets were frozen</p> <p>Data source: Annual statistics</p> <p>Baseline: N/A</p> <p>Target 2021–23: 50%</p>

II. Area: Cooperation/Policy Work	
Develop close cooperation and effective information exchange with key partners	<p>Indicator: Timely implementation of agreed actions stemming from working arrangement concluded with EPPO partners</p> <p>Data source: Annual statistics</p> <p>Baseline: n/a</p> <p>Target 2021–23: At least 90% of the agreed actions are implemented within agreed timelines</p>
Contribute to shaping and harmonising the fight against fraud across the EU	<p>Indicator: Establish a coherent system for investigation and prosecution of offences affecting the EU's financial interests</p> <p>Data source: Annual statistics, Annual Reports on the protection of the European Union's financial interests – Fight against fraud</p> <p>Baseline: n/a</p> <p>Target 2021–23:</p>

III. Area: Management and Organisational Maturity	
Ensure effective organisational structure and processes, including professional, transparent and efficient management of the Office	<p>Indicator: Internal Control Framework related</p> <p>Data source: Internal</p> <p>Baseline: Best practices from similar EU bodies</p> <p>Target 2021-23:</p> <ul style="list-style-type: none"> • Key elements of the internal control framework (including Internal Control standards) adopted by end 2021. • Risk and Fraud Risk registered established from mid-2021 • Processes inventory and mapping deployed over 2022/23. • Staff Regulations Implementing Rules adopted (and eventually adapted) by end 2021 for standard ones and end 2022 for EPPO's specific ones. • Statutory social dialogue setup established by mid-2022 and social dialogue driven HR process implemented by end 2022. Internal Auditing active from 2022 onward.
Effectively communicate the EPPO's successes and added value to stakeholders and to the general public	<p>Indicator: To be further developed</p> <p>Data source: Internal</p> <p>Baseline: n/a</p> <p>Target 2021-23: To be further developed</p>

2. Human and financial resources: outlook for 2021-23

2.1. Overview of the past and present situation

The EPPO's revenue has been programmed on a preliminary understanding (mostly pre-dating NextGenerationEU instrument design) of the scope of activities that would be required to perform the mission defined by the legislator.

As with any prosecution service, the EPPO as designed relies mostly on the human resources it is allowed to hire. Early indication is that the level of posts considered by the Budgetary Authority fully integrated neither the complexity of operating a setup such as the one established by the legislator (central and decentralised levels), nor the investment required to deliver a truly independent prosecution office – whether in term of operations or administration.

2.2. Outlook for the years 2022-2023

With the launch of its operations, the EPPO entered a transition period, during which its mandate will be put in place and its partners at EU and participating Member States level will be adapting their service and working modalities to the changed competences resulting from EPPO being operational. While prosecution offices generally reach organisational and operational maturity and acquire operational capacity commensurate with their respective competences before performing prosecution, the budgetary and posts perspective given to the EPPO is based on an empirical approach, without proper predictability. The period of potential inadequacy between the scope of competence of the EPPO and its resources is expected to extend beyond the launch period in 2021 until late in 2022 or possibly 2023, depending on the level of resources that will be effectively put at the disposal of the EPPO during these years.

2.3. Resource programming for the years 2022–2023

Financial Resources

Due to the start of operations in the second half of 2021 and an expected inflow of caseload from day one of the EPPO's operations, its revenue and expenditure in 2021 were increased significantly compared to 2020. The assumptions made for caseload by the legislator when adopting the EPPO's Legislative Financial Statement in 2017 were preliminary and based on limited data. As the EPPO will be operational for its first full year in 2022, the necessary revenues and expenditure are expected to increase and, both for operational and administrative purposes, an increase of close to 50% compared to 2021 currently seems required. At present, assuming the EPPO would be granted and absorb a revenue and posts increase in 2022, 2023 can be considered as a full-size operations test year, based on which the level of a consolidated EPPO could be determined. Given the uncertainties as to the level of the EPPO's activities throughout 2022, the methodological choice now can only be to mirror the 2022 baseline throughout 2023.

Human resources

During the start-up phase, the EPPO focused on the recruitment of staff necessary to work with the first group of cases that it expected to receive in 2021.

Such jobs include case analysts, financial investigators, legal officers and policy officers, in addition to the legislation-defined roles such as European Delegated Prosecutors and European Prosecutors.

Only a minimal investment could be made in 2020–2021 in setting up some of the administrative components (with high criticality in delivering business services continuity and compliance), especially in the context of a desirable rapid administrative autonomy from the Commission, and of high reliance on IT systems to operate a largely decentralised operating model.

Mirroring these considerations, as far as financial resources are concerned – and pending an update on the planning assumptions retained when defining the level and nature of posts required by the EPPO operations and administration – the EC indication of an intended stabilisation, at 2021 level, of the number of positions for the 2022 period seems incompatible with the efforts required by the EPPO operating model, and the expected trend in caseload.

During the second half of 2021, as the initial operation phase unfolds, more factual indicators will start becoming available, which will enable a review of the initial hypothesis retained.

2.4. Strategy for achieving efficiency gains

During 2021–2022, the EPPO intends to structure and bring to maturity its operational, administrative and support service frameworks. In doing so, it will engage benchmarking with similar EU and possibly comparable national-level structures, and endeavour to adapt its processes and standards to match top-tier indicators of pertinent peer organisations.

2.5. Negative priorities/decrease of existing tasks

Current indication is that assumptions that prevail in defining the level of human resources required by the EPPO to operate and administer the specific modalities, defined by the EPPO 2017 legislation, did underestimate the complexity and investment required in securing the independent characteristics a prosecution service has to demonstrate. The current level of positions considered by the Budgetary Authority as sufficient for a viable independent prosecution office (especially in the broader EU budget perspective), able to ensure continuity of services and adhere to minimal EU administration standards, was underestimated. Therefore, presently, the EPPO is already affected in its effective independence, compliance and operational level, when compared to the desired level of what it should achieve.

Section III

Annual Work Programme 2021

1. Executive summary

The Annual Work Programme (AWP) 2021 constitutes the first building block towards the EPPO's strategic objectives for the cycle 2021–2023, and coincides with the initial phase of its operational activities. In line with said objectives, this AWP focuses on three clusters of activities of the Office:

- Process caseloads timely and efficiently, and conduct impartial, independent, high quality investigations and prosecutions – progressively leading to more convictions, improved recovery of fraudulently obtained Union funds and enhanced deterrence of committing offences affecting the EU's financial interests.
- Develop strong and smooth cooperation with key partners, with a view to ensuring effective exchange of information between the European and national competent authorities, support core EPPO activities, and address existing gaps in the protection of the Union budget.
- Achieve an organisational and management model that can respond to the demands placed upon the Office so that it may perform its functions with the required quality, effectiveness and efficiency. Ensure excellent IT and communication capacities to tackle existing and anticipated challenges arising from the complex environment in which the EPPO operates.

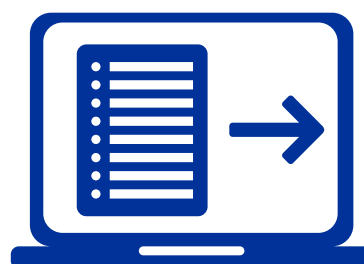
2. Activities

1.1: Ensure proper registration and verification of information on crime reports received by the Office

The EPPO will ensure that crime reports received by the Office are processed and verified efficiently, effectively and in a timely manner, in accordance with the obligations enshrined in the Regulation, having due regard to rules on personal data and the protection of whistleblowers and other persons at risk of retaliation.

The EPPO will in particular ensure that information submitted by national authorities for the purposes of evocation, including backlog cases, are effectively prioritised and handled in such a way that it enables the Office to take a swift decision on whether to exercise its right to evocation, complying within the strict deadlines foreseen by the Regulation.

The Office will aim for a high rate of accuracy, efficiency and increasing rapidity in the registration of information in its Case Management System (CMS), at both central and decentralised levels. To this end, it will continue to strengthen operational capabilities via a combination of managerial, training, auditing and organisational measures, and via initiatives to promote further standardisation of data inputting into the CMS.



Objective 1.1.1

Ensure effective processing of incoming information from competent national authorities, including backlog cases, and IBOAs

Actions

- Define reporting channels, tools and procedures
- Identify competent authorities for reporting information to the EPPO
- Identify relevant IBOAs for reporting information to the EPPO
- Raise awareness among competent authorities and IBOAs regarding EPPO competence and reporting modalities
- Provide specific guidance on national authorities and IBOAs on the use of the secure file transfer protocol (SFTP) and the standard EPPO Crime Report (ECR) form to report criminal conduct through agreed channels
- Discuss and agree schedule with national authorities for reporting backlog information

Expected results

- Better reporting and streamlined flow of information
- Staged reporting for backlog cases from Member States, enabling the Office to process them within the short deadlines foreseen for evocation purposes
- Improved automation and efficiency (data from ECR can be imported directly into the CMS)
- Improved accuracy, quality and rapidity of registration of information

Indicators

- Number and frequency of backlog cases reported
- Use of SFTP/ECR vs other channels/means of reporting information
- Backlog clearing progress and pace (vs cases received)
- Compliance with IRP deadlines

Objective 1.1.2

Ensure effective screening and processing of incoming information from private parties

Actions

- Create dedicated web-form, accessible via the EPPO website, to report information on crimes, including user-friendly guidance on how to use the form
- Develop procedures and capacity to effectively process information from private parties received via other channels
- Achieve an effective system for processing, filtering and storing (or forwarding) crime reports from private parties which fall manifestly outside the competence of the EPPO
- Develop internal rules, including adequate technical means, to ensure the highest level of confidentiality and protection of whistleblowers and other persons at risk from possible retaliation

Expected results

- Information manifestly outside the competence of the EPPO or otherwise irrelevant sifted out before entering the system
- More efficient and faster method of registering information from private parties
- Information on how to report a crime to the EPPO available and known to target audience
- Whistleblowers and other persons at risk feel more confident to engage with the EPPO, leading to a higher volume of sensitive information reaching the Office
- Improved overall reporting rates of offences affecting the EU's financial interests
- Enhanced awareness of the EPPO

Indicators

- Cases registered based on reports by private parties
- Statistics re. use of channels used by private parties for reporting information

Objective 1.1.3

Ensure high level of accuracy in registration and verification of information, including full compliance with data protection rules

Actions

- Adopt operational procedures for the sector in charge of registration and verification (RVS)
- Train staff extensively in the use of Registration and Verification Officer role in CMS
- Accuracy of personal data in the CMS are subject to controls by the Data Protection Officer (DPO)
- Develop operations risk register as well as fraud risk assessment, as part of the EPPO's internal anti-fraud strategy
- All operations are logged by the CMS and audited periodically
- Ensure effective monitoring by means of supervision, appraisal cycle, and feedback from end-users

Expected results

- Swift and timely processing of information, freeing up additional capacity to perform analysis and financial investigations
- Increased rate of standardisation of data and text inputting
- Minimised number of audit findings
- Increased staff engagement and satisfaction

Indicators

- Timeframe for processing reported information
- Level of accuracy of data entry into the CMS
- Observance of internal and statutory deadlines for registration and verification
- Confirmation of decision to reject crime reports by private parties as manifestly outside EPPO competence
- Adequacy of risk registers vs real occurrences

1.2: Conduct independent, impartial, high-quality investigations and prosecutions with high rate of success in court

During the AWP 2021, the EPPO starts operating and launches its first investigations into criminal cases reported to it and falling within its competence. Throughout the reporting period, the EPPO will continue to strengthen its capacity to carry out independent, impartial, high-quality investigations and prosecutions aimed at achieving high rates of success in court, while respecting all fundamental rights enshrined in the Charter.

For this purpose, the EPPO will develop investigative and prosecutorial approaches and strategies

to effectively address offences against the Union's financial interests, including, in particular, cross-border offences where national law enforcement efforts remain fragmented. The EPPO will closely assess and take stock of its performance, reviewing relevant policies and making amendments based on lessons learnt, where required.

The EPPO will also work, from the initial phase of operations, to establish a coherent European system for investigation and prosecution of offences affecting the EU's financial interests, pursuing a uniform approach throughout the 22 participating Member States through the supervision and coordination role exercised by its central office.

Objective 1.2.1 Effectively investigate and prosecute offences against the EU budget, including in cross-border cases
Actions <ul style="list-style-type: none"> • Develop solid investigative and prosecutorial strategies, and corresponding review processes • Ensure in-house capacity for specialised operational analyses and financial investigations to support investigations and prosecutions • Train operations staff in statistical analysis, forensic accounting and asset recovery • Perform strategic reviews of ongoing criminality related to PIF offences in order to identify recurrent typologies, as well as new trends, risks and vulnerabilities • Take initiatives to ensure close cooperation and effective information exchange between the European and national competent authorities • Continuously improve the way in which the Office interacts with its key stakeholders • Ensure review of the EPPO acts in light of the Human Rights <i>acquis</i> of the EU
Expected results <ul style="list-style-type: none"> • More efficient and effective investigation and prosecution of offences affecting the EU's financial interests • Increased number of prosecutions/persons indicted/persons convicted • Strengthened enforcement regime against PIF offences • Enhanced deterrence of committing crimes against the EU budget • Recover a higher proportion of funds affected by fraud
Indicators <ul style="list-style-type: none"> • Cases and amounts involved in EPPO cases • Number of prosecutions / persons indicted • Value of assets frozen in the EPPO's investigations • Issuance of documents explaining Office approach to key issues for its investigations and prosecutions • Statistics on in-house specialised capacity to support complex, large-scale fraud cases

Objective 1.2.2

Contribute to establishing a coherent European system for investigation and prosecution of offences affecting the EU's financial interests

Actions

- Implement the induction training programme for European Delegated Prosecutors
- Produce and disseminate the first Vademecum of the EPPO, compiling the main aspects of investigative and prosecutorial work in the Member States relevant to the EPPO's activities, for the benefit of the work of the Permanent Chambers
- Produce and disseminate a Glossary (criminal law terms) of the EPPO Regulation
- Constitute additional internal resources to build and enhance a common EPPO knowledge, including collection of methods, tools and relevant legislation in the field of offences against EU budget
- Document impact of approximation gaps in the field of criminal matters on EPPO activities, in particular regarding cross-border investigations
- Provide Permanent Chambers with effective administrative, legal and policy support
- Ensure adequate resources for the decentralised level
- Identify national points-of-contact for administrative support and for communication

Expected results

- Less fragmentation of the EU *acquis* in the area of anti-corruption
- Increased EU businesses and citizens' trust in EU institutions
- More unified and consistent EU actions against PIF offences, including common prosecution priorities
- Progressive definition of a set of minimum standards applicable to investigation and prosecution of PIF offences across Europe

Indicators

- Publication of the EPPO's Glossary and Vademecum
- Dissemination of guides/handbooks identifying criminal typologies and standard methods of investigation for the use of operational staff
- Survey reaction of public to operationalisation of the EPPO
- Integrate, by adequate actions, the body of European Delegated Prosecutors to the EPPO, and build the coherence and alignment of this newly established community at global, regional and national levels.

2.1: Ensure strong cooperation with Europol, OLAF and Eurojust, and other EU partners

In order to fulfil its mandate, the EPPO will work hand-in-hand with competent EU bodies and institutions, including Europol, the European Anti-Fraud Office (OLAF) and Eurojust.

To this end, the EPPO will continue its efforts to ensure that strong and smooth cooperation with Europol, OLAF and Eurojust is in place from the start of operations, notably through the conclusion of relevant working arrangements, and the adoption

of further operational and technical rules for the implementation of such arrangements.

The EPPO will further explore joint strategic initiatives and operational synergies with its key EU partners, based on a clear division of competencies and responsibilities. It will establish and maintain a cooperative relationship with the European Commission. The EPPO and the European Commission will conclude an agreement covering the modalities for such cooperation.

Objective 2.1.1
Develop operational cooperation with Europol, OLAF and Eurojust
Actions
<ul style="list-style-type: none"> • Conclude remaining working arrangements (WAs) to facilitate cooperation and information exchange with relevant partner • Adopt any further technical and operational arrangements needed to implement the WAs • Define and agree workflows, channels and tools to exchange requests for information and standardised reply/request format, as per the relevant WA with partner • Implement secure communication tools for the exchange of information • Take steps to obtain direct access to relevant databases held by the Commission and other IBOAs • Explore joint initiatives and operational synergies with its EU partners, including shared training initiatives • Identify and gather data on cooperation and “hit/no-hit” requests/replies for statistical and other purposes • Participate in “hit/no-hit” taskforce discussions
Expected results
<ul style="list-style-type: none"> • Working processes implemented • Information exchange established with Europol, OLAF and Eurojust • “Hit/no-hit” process with Europol and OLAF, used for bidirectional exchanges of information and to support the EPPO’s casework • Improved operational support to the EPPO in transitional cases involving non-participating Member States or third countries • Ensured access to relevant EU databases • Trust and engagement built with EPPO key partners
Indicators
<ul style="list-style-type: none"> • Statistics on “hit/no-hit” requests • Data on implementation of actions stemming from WAs • Data on key meetings/decisions

Objective 2.1.2
Ensure effective cooperation with other institutions, bodies, offices and agencies of the Union
Actions
<ul style="list-style-type: none"> • Conclude an agreement with the Commission, ECA, EIB setting out modalities for continued cooperation • Ensure that the framework is in place to provide concerned IBOAs with sufficient information in accordance with article 103(2) of the Regulation • Set up procedures to enable IBOAs to effectively report information on crime to the EPPO • Assess need to conclude WAs for defining reporting channels directly or via OLAF
Expected results
<ul style="list-style-type: none"> • Essential cooperation framework with Commission and other IBOAs established
Indicators
<ul style="list-style-type: none"> • Crime reports by IBOAs • Other forms of cooperation – e.g. exchanges of information

2.2: Develop cooperation with other key partners

The EPPO will continue to develop operational cooperation with other key partners, including non-participating Member States of the European Union, particularly with a view to ensuring that there are no gaps in the protection of the EU's financial interests.

Moreover, in consultation with stakeholders, the EPPO will define a strategy for cooperating with key third states and international organisations in

line with its operational needs. The EPPO will seek, in particular, to negotiate and conclude working arrangements with the authorities of third states whose cooperation is anticipated to be critical in the investigation and prosecution of cross-border cases falling within its competence. The EPPO will also support and pursue strategic cooperation with international taskforces and networks relevant to its activities, such as the Financial Action Task Force (FATF) and the Camden Asset Recovery Inter-Agency Network (CARIN).

Objective 2.2.1
Ensure cooperation with EU Member States not participating in the establishment of the EPPO, so there are no gaps in the protection of the EU's financial interests.
Actions
<ul style="list-style-type: none"> • Conclude working arrangement on cooperation between the EPPO and the Office of the Prosecutor General of Hungary • Negotiate and conclude working arrangement on the cooperation between the EPPO and the Prosecution Service of the Kingdom of Denmark • Negotiate and conclude working arrangement on the cooperation between the EPPO and the National Prosecutor's Office of the Republic of Poland
Expected results
<ul style="list-style-type: none"> • Increased capacity to carry out its core activities
Indicators
<ul style="list-style-type: none"> • Conclusion of pending WAs • Implementation/operational contacts with HU

Objective 2.2.2
Build operational cooperation with the authorities of third states and international organisations
Actions
<ul style="list-style-type: none"> • Develop the EPPO's multi-annual strategy on cooperation with third states and international organisations • Seek to establish operational cooperation with the UK, despite its withdrawal from the EU • Negotiate and conclude working arrangements of strategic nature with designated third states • Contribute to the activities of the Financial Action Task Force (FATF) • Develop contacts with other relevant global networks, including the Camden Asset Recovery Inter-Agency Network (CARIN) • Enhance relations with INTERPOL, UN bodies working in the field of crime, criminal justice and the fight against corruption, and other strategic international partners
Expected results
<ul style="list-style-type: none"> • Improved ability to investigate and prosecute cases involving a third country • Improved strategic relations with key third states • Established relations with key international organisations and networks • The EPPO positioned as an important partner in the broader community of regional and international bodies working in the field of crime and criminal justice • Ensure more comprehensive protection of victims • EPPO activities benefit from FATF standards, guidance and best practice • Increased strategic expertise in the field of asset recovery
Indicators
<ul style="list-style-type: none"> • Progress in WA/negotiations with priority third states • Outcome of observer application with FATF and CARIN • Other meaningful partnerships/cooperation progress with other international partners

2.3: Contribute to the shaping of the Anti-Fraud Strategy of the Union

The EPPO will take steps to increase its meaningful involvement in the European Commission Anti-Fraud Strategy by providing policy input and advice, sharing experience gathered during its operations, as well as organising and participating in strategic meetings. The EPPO will equally build on the Commission's initiatives to deepen

its own knowledge of fraud patterns and trends, and gain additional strategic orientation regarding the conception and development of an EU anti-fraud policy.

The European Commission Anti-Fraud Strategy will additionally provide the EPPO with a platform to further enhance cooperation at the EU-level and with Member States, and to combine efforts more efficiently.

Objective 2.3.1
Enhance the involvement and added value of the EPPO in the EU anti-fraud system
Actions
<ul style="list-style-type: none"> • Build on CAFS data and analysis to inform its investigative and prosecutorial strategies, policies and priorities • Share experience and expertise gathered during its operations, including review of recurrent typologies of ongoing criminality related to PIF offences, new trends, risks and vulnerabilities • Explore and stimulate opportunities and synergies with other anti-fraud bodies at the EU level • Participate in operational projects to raise the awareness of the public and private sector • Organise and participate in relevant strategic meetings
Expected results
<ul style="list-style-type: none"> • Efficient sharing and utilisation of the EPPO's knowledge • Strengthen the EPPO's position within the EU's anti-fraud architecture • Enhanced added value of the EPPO in the EU's anti-fraud strategy • Contribute to advancement of EU's anti-fraud strategy and related plans • Deepened EPPO knowledge of fraud patterns and trends • Further enhanced cooperation among anti-fraud bodies at EU level
Indicators
<ul style="list-style-type: none"> • EPPO, European Commission statistics, assessment and analysis • Number of EPPO contributions to CAFS • Meeting with OLAF in relation to CAFS

3.1: Ensure the EPPO's organisational and managerial efficiency

The year 2021 corresponds to the initial set-up phase of an administrative and services framework that is able to grow from delivering the basics to ensuring compliance and providing services required by the operating model, and is able to evolve as the EPPO's needs mature.

In 2021, only a limited team can be established for that purpose, with less than 8.5% of EPPO statutory personnel devoted to the deployment of Activity 3.1.

The bulk of tasks carried out by that team aims to:

- I. Ensure early and as completely as possible the hiring and deployment of central office staff, and European Delegated Prosecutors
- II. Acquire autonomy from the European Commission (financial autonomy) and build the minimal conditions to operate that autonomy (especially autonomous procurement capacity)
- III. Prepare to acquire IT autonomy, and reinforce basis for resilience of operation critical to IT systems.

- IV. Adopt and initiate deployment (within residual resources from I to III above) of the risk-based control environment within which an EU autonomous and independent institution is to operate (including progressing in adopting Implementing Rules to the Staff Regulations).
- V. Design and start deployment of an administrative and services framework able to provide an administrative management framework proportional to risks, and fostering efficient use of EPPO EU subvention.

These various objectives will have to be strictly prioritised, within the limited human resources available – especially in the critical period of launch of operational activities – and also to acquire and document the minimum required compliance with better EU public administration practices and standards. A larger recourse to services (including the

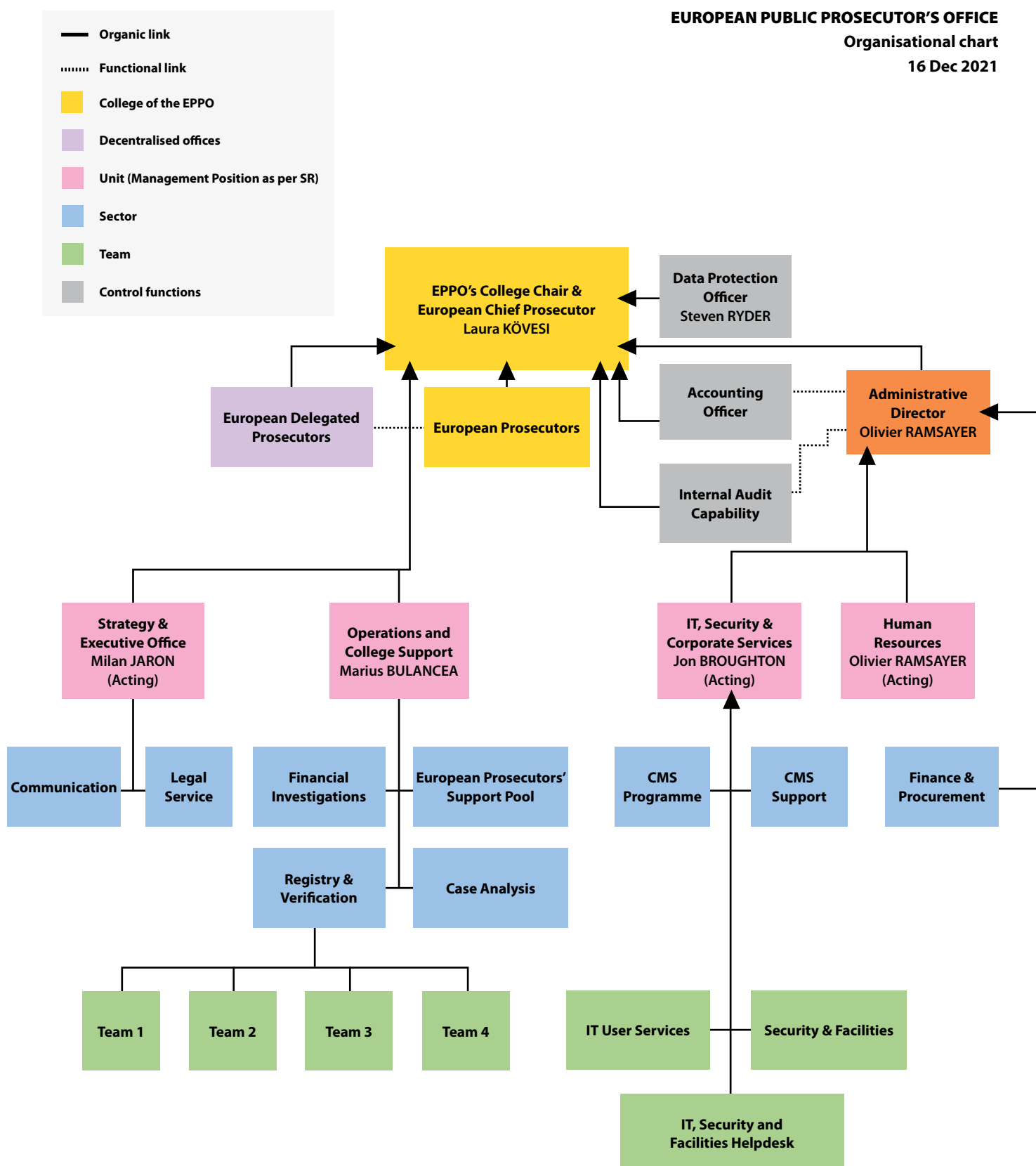
Commission's and PMO's, as well as those of market operators) will have to be relied upon to overcome the limit to resources available to the EPPO in 2021.

3.2: Efficient use of IT and communication capabilities to support the EPPO's operational and strategic goals

Within the same context as for Activity 3.1, it is planned that an estimated 5.2 % of the EPPO's statutory staff focus, during 2021, on ensuring that the Case Management System (CMS) – and associated systems part of the CMS Programme – effectively and efficiently support prosecution operations from day one, and that these systems gradually evolve as the EPPO's operation model matures. The major objective for this activity is the resilience, timeliness and adaptability of the CMS programme components during the year.

Annexes

I. Organisation chart



On 31/12/2020 the EPPO had 63 staff members, out of which two were in management posts – one European Chief Prosecutor and one Head of Human Resources (seconded from the European Parliament):

1	European Chief Prosecutor
22	European Prosecutors
5	Strategy & Executive Office Unit/Management & Support of the Unit
4	Strategy & Executive Office Unit/Legal Service Sector
1	Strategy & Executive Office Unit/Communication Sector
6	Operations & College Support Unit/Registry & Verification Sector
3	Operations & College Support Unit/European Prosecutors Support pool Sector
2	Operations & College Support Unit/Case Analysis Sector
1	Administration Management & Finance/Administrative Director & Team
1	Audit
2	Administration Management & Finance/Finance & Procurement Sector
4	Human Resources Unit
2	IT, Security & Corporate Services Unit/Unit Management & Support/Helpdesk
2	IT, Security & Corporate Services Unit/Unit Management & Support/Security & Facilities Team
2	IT, Security & Corporate Services Unit/Unit Management & Support
2	IT, Security & Corporate Services Unit/CMS Programme Sector
3	IT, Security & Corporate Services Unit/CMS Support Sector

II. Resource allocation per activity 2021–23

Table providing aggregated human and financial resources per Work Programme activity, including the actual use of the human and financial resources by the end of year N-1. Justification and brief information on HR and financial resources provided under Section III for each activity.

	2021			2022	2023
	Central Office	European Delegated Prosecutors	Total Statutory staff (%)	To be precised after initial period of operations	
EPPO Prosecutions	96 (72 TA, 24 CA)	140	236 (86.4%)		
Administration	21 (13 TA, 8 CA)	N/A	21 (8.4%)		
Operations IT (CMS)	13 (9 TA, 4 CA)	N/A	13 (5.2%)		
TOTAL	130	140	270 (100%)		

III. Financial resources 2021–23

REVENUE

1. General revenues overview

REVENUES	2020	2021
	Revenues estimated by the EPPO	Budget forecast
EU contribution	11 672 000	44 952 790
Other revenue	0	0
TOTAL REVENUES	11 672 000	44 952 790¹

2. General revenues

REVENUES	General revenues				
	Executed Budget 2019	Budget 2020	Draft Budget 2021		VAR 2021/2020 (%)
			EPPO request	Budget forecast	
1. REVENUE FROM FEES AND CHARGES					
2. EU CONTRIBUTION		11 672 000	55 514 204	44 952 790 ²	285%
- Of which assigned revenues deriving from previous years' surpluses					
3. THIRD COUNTRIES CONTRIBUTION (incl. EEA/EFTA and candidate countries)					
- Of which EEA/EFTA (excl. Switzerland)					
- Of which candidate countries					
4. OTHER CONTRIBUTIONS					
5. ADMINISTRATIVE OPERATIONS					
- Of which interest generated by funds paid by the Commission by way of the EU contribution (FFR Art. 61)					
6. REVENUES FROM SERVICES RENDERED AGAINST PAYMENT					
7. CORRECTION OF BUDGETARY IMBALANCES					
TOTAL		11 672 000	55 514 204	44 952 790³	285%

1 Following the EPPO's 3rd amending 2021 budget of 24 November 2021, the initial above budget has been amended to 35 452 790 euros

2 Idem as footnote 1

3 Idem as footnote 1

3. Additional EU funding: contribution, grant and service level agreements

REVENUES	2020	2021
	Revenues estimated by the EPPO	Budget Forecast
Additional EU funding stemming from grant agreements (FFR Art.7)	NA	NA
Additional EU funding stemming from contribution agreements (FFR Art.7)	NA	NA
Additional EU funding stemming from service level agreements (FFR Art. 43.2)	NA	NA
TOTAL REVENUES	NA	NA

4. Expenditure overview

Expenditure	2020		2021	
	Commitment appropriations	Payment appropriations	Commitment appropriations	Payment appropriations
Title 1 - Staff expenditure	5 435 797	5 435 797	19 670 500	19 670 500
Title 2 - Infrastructure and operating expenditure	2 592 562	2 592 562	3 400 000	3 400 000
Title 3 - Operational expenditure	3 643 641	3 643 641	21 882 290	21 882 290
TOTAL EXPENDITURE	11 672 000	11 672 000	44 952 790⁴	44 952 790⁵

4 Idem as footnote 1

5 Idem as footnote 1

5. Expenditure – Commitment appropriations

EXPENDITURE	Commitment appropriations						
	Executed Budget 2019	Budget 2020	Draft Budget 2021		VAR 2021/2020 (%)	Envisaged 2022	Envisaged 2023
			EPPO request	Budget forecast			
Title 1 - Staff expenditure		5 435 797	30 362 000	19 670 500	262%	35 983 100	35 983 100
Salaries and allowances		4 105 471	25 430 000	17 050 000	315%	32 422 000	32 422 000
- Of which establishment plan posts		3 925 776	16 950 000	14 250 000	263%	25 992 000	25 992 000
- Of which external personnel		179 695	8 480 000	2 800 000	1458%	6 430 000	6 430 000
Expenditure relating to staff recruitment		692 054	3 710 000	852 500		1 621 100	1 621 100
Employer's pension contributions							
Mission expenses		65 000	300 000	30 000		50 000	50 000
Socio-medical infrastructure		162 285	92 000	580 000		1 100 000	1 100 000
Training		1 342	690 000	150 000		150 000	150 000
External services		159 645	80 000	698 000		330 000	330 000
Receptions, events and representation			10 000	10 000		10 000	10 000
Social welfare							
Other staff-related expenditure		250 000	50 000	300 000		300 000	300 000
Title 2 - Infrastructure and operating expenditure		2 592 562	4 927 908	3 400 000	31%	3 948 186	3 948 186
Rental of buildings and associated costs		353 826	3 518 908	1 350 000		1 450 000	1 450 000
Information, communication technology and data processing		1 065 442	305 000	1 050 000		1 928 186	1 928 186
Movable property and associated costs		1 156 194	325 000	880 000		450 000	450 000
Current administrative expenditure		17 100	115 000	35 000		35 000	35 000
Postage / Telecommunications							
Meeting expenses			340 000				
Running costs in connection with operational activities							
Information and publishing				35 000		35 000	35 000
Studies							
Other infrastructure and operating expenditure			324 000	50 000		50 000	50 000
Title 3 - Operational expenditure		3 643 641	20 224 296	21 882 290	501%	25 705 000	25 705 000
TOTAL		11 672 000	55 514 204	44 952 790 ⁶	285%	65 636 286 ⁷	65 636 286

6 Idem as footnote 1

7 The amount reflects EPPO's initial request during the DB 2022 procedure. The latest figure emerging from the conciliation procedure is 57 101 846 €.

6. Expenditure – Payment appropriations

EXPENDITURE	Payment appropriations						
	Executed Budget 2019	Budget 2020	Draft Budget 2021		VAR 2021/2020 (%)	Envisaged 2022	Envisaged 2023
			EPPO request	Budget forecast			
Title 1 - Staff expenditure		5 435 797	30 362 000	19 670 500	262%	35 983 100	35 983 100
Salaries and allowances		4 105 471	25 430 000	17 050 000	315%	32 422 000	32 422 000
- Of which establishment plan posts		3 925 776	16 950 000	14 250 000	263%	25 992 000	25 992 000
- Of which external personnel		179 695	8 480 000	2 800 000	1458%	6 430 000	6 430 000
Expenditure relating to staff recruitment		692 054	3 710 000	852 500	23%	1 621 100	1 621 100
Employer's pension contributions							
Mission expenses		65 000	300 000	30 000	-54%	50 000	50 000
Socio-medical infrastructure		162 285	92 000	580 000	257%	1 100 000	1 100 000
Training		1 342	690 000	150 000	11077%	150 000	150 000
External services		159 645	80 000	698 000	337%	330 000	330 000
Receptions, events and representation			10 000	10 000		10 000	10 000
Social welfare							
Other staff-related expenditure		250 000	50 000	300 000	20%	300 000	300 000
Title 2 - Infrastructure and operating expenditure		2 592 562	4 927 908	3 400 000	31%	3 948 186	3 948 186
Rental of buildings and associated costs		353 826	3 518 908	1 350 000	282%	1 450 000	1 450 000
Information, communication technology and data processing		1 065 442	305 000	1 050 000	-1%	1 928 186	1 928 186
Movable property and associated costs		1 156 194	325 000	880 000	-24%	450 000	450 000
Current administrative expenditure		17 100	115 000	35 000	105%	35 000	35 000
Postage / Telecommunications							
Meeting expenses			340 000				
Running costs in connection with operational activities							
Information and publishing				35 000		35 000	35 000
Studies							
Other infrastructure and operating expenditure			324 000	50 000		50 000	50 000
Title 3 - Operational expenditure		3 643 641	20 224 296	21 882 290	501%	25 705 000	25 705 000
TOTAL		11 672 000	55 514 204	44 952 790 ⁸	285%	65 636 286 ⁹	65 636 286

8 Idem as footnote 1

9 Idem as footnote 7

7. Budget outturn and cancellation of appropriations

Budget outturn	2017	2018	2019
Revenue actually received (+)			
Payments made (-)			
Carryover of appropriations (-)			
Cancellation of appropriations carried over (+)			
Adjustment for carryover of assigned revenue appropriation from previous year (+)			
Exchange rate differences (+/-)			
Adjustment for negative balance from previous year (-)			
TOTAL	NA	NA	NA

IV. Human resources

Quantitative

Overview of all categories of staff and its evolution

Staff categories		Authorised under EU budget in 2020	Actually filled as of 31/12/2020	In draft budget for 2021	Envisaged in 2022 ¹⁰	Envisaged in 2023 ¹¹
Officials	AD	2	0	0	0	0
	AST	2	0	0	0	0
	AST/SC	0	0	0	0	0
Total Officials		4	0	0	0	0
TA	AD	44	45*	68	127	127
	AST	7	11**	23	40	40
	AST/SC	3	0	4	4	4
Total TA		58	56	95	171	171
CA	FG IV	4	3	20	27	27
	FG III	3	1	12	18	18
	FG II	5	3	3	3	3
	FG I	0	0	0	0	0
Total CA		12	7	35	48	48
Other staff						
EDPs		0	0	140	140	140
SNE		0	0	0	29	29
TOTAL		74	63	270	388	388

* The figure includes 1 AD7 post that has been removed in 2021.

** The figure includes 4 permanent posts.

¹⁰ Subject to revision on the basis of initial phase of operations

¹¹ Idem as footnote 10

Staff policy plan 2021–2023

Category and grade	Establishment Plan 2020		Actually filled as of 31/12/2020		Authorised budget in 2021	Amended budget 2021		Establishment Plan in draft EU budget 2022 ¹²	Establishment Plan in draft EU budget 2023 ¹³
	Officials	TA	Officials	TA	TA	TA	TA	TA	TA
AD 16	0	0	0	0	0		0	0	0
AD 15	0	1	0	1	1		1	1	1
AD 14	0	1	0	1	1		1	1	1
AD 13	0	22	0	22	22		22	22	22
AD 12	0	0	0	0	0		0	2	2
AD 11	0	1	0	1	1		1	3	3
AD 10	0	3	0	2	5		5	7	7
AD 9	0	3	0	3	8	-3	5	7	7
AD 8	0	2	0	2	4	-2	2	7	7
AD 7	2	7	0	7	8	+4	12	42	42
AD 6	0	3	0	5	10	+4	14	32	32
AD 5	0	1	0	1	5		5	3	3
Total AD	2	44	0	45	65		68	127	127
AST 11	0	0	0	0	0		0	0	0
AST 10	0	0	0	0	0		0	0	0
AST 9	0	0	0	0	1		1	1	1
AST 8	0	0	0	0	1		1	1	1
AST 7	0	0	0	0	0		0	0	0
AST 6	0	0	0	0	0		0	2	2
AST 5	0	4	0	1	4		4	8	8
AST 4	2	0	0	3	7	-2	5	15	15
AST 3	0	3	0	7	12		12	13	13
AST 2	0	0	0	0	0		0	0	0
AST 1	0	0	0	0	0		0	0	0
Total AST	2	7	0	11	25		23	40	40
AST/SC 6	0	0	0	0	0		0	0	0
AST/SC 5	0	0	0	0	0		0	0	0
AST/SC 4	0	0	0	0	0		0	0	0
AST/SC 3	0	0	0	0	0		0	1	1
AST/SC 2	0	3	0	0	5	-1	4	3	3
AST/SC 1	0	0	0	0	0		0	0	0
Total AST/SC	0	3	0	0	5		4	4	4
TOTAL	4	54	0	56	95		95	171	171

¹² Idem as footnote 10

¹³ Idem as footnote 10

V. Human resources

Qualitative

Recruitment

The selection procedures in the EPPO comply with the relevant EU regulations and implementing rules on the recruitment and use of temporary and contract agents adopted by the EPPO in accordance with Article 110 of the Staff Regulations.

The EPPO launches external as well as inter-agency selection procedures and, depending on the need, makes use of EPSO CAST lists.

As a general rule, the EPPO selection procedures include the following stages:

- A vacancy notice is published on the EPPO website, on the EPSO website, and relevant information is sent to all the other EU agencies.
- The vacancy notice includes information on the eligibility and selection criteria, types of duties, duration of contract and recruitment grade.
- A Selection Committee is appointed, taking into consideration gender balance and broad geographical representation. External members are invited in cases where specific expertise is required.
- Applicants are first screened on the basis of their applications in order to identify the candidates who best match the published requirements;
- The best candidates are invited for an interview and a written test. The questions are established by the members of the Selection Committee before the screening of the applications, and as a general rule, are presented to all the candidates interviewed.
- The Selection Committee may draft a list of the most suitable candidates and present it to the Appointing Authority of the EPPO, who makes the final decision.
- The result of the selection procedure is communicated to all the candidates.

Especially for Contract Agents, the EPPO foresees that it will make use of the EPSO reserve lists, when required.

Seconded National Experts (SNEs)

The EPPO intends to recruit SNEs in order to benefit from their high level of professional knowledge and expertise. For this reason, the legal basis for the engagement of SNEs is under preparation and expected to be adopted by the College of the EPPO in 2021.

The procedure for their recruitment will be similar to the one used for the recruitment of temporary and contract staff.

European Delegated Prosecutors (EDPs)

The EPPO staff includes the European Delegated Prosecutors, who are highly specialised experts in the participating Member States. The EDPs carry out their tasks under the supervision of the European Prosecutors and under the direction and instruction of the competent Permanent Chambers. They are located in the participating Member States.

Their recruitment follows a specific procedure, as it is defined by the Council Regulation (EU) 2017/1939 of 12 October 2017, implementing enhanced cooperation on the establishment of the EPPO.

Grades and function groups

In accordance with the Staff Regulations and CEOS and the relevant implementing rules, and within the limits set by the EPPO's Establishment Plan, the EPPO recruits Temporary Agents at grades ranging from AD 5 to AD 8 for function group AD, and AST 1 to AST 4 for function group AST.

The recruitment at higher grades (i.e. AD 9 to AD 11, and in exceptional cases at AD 12), is limited to filling middle management positions, or where specific expertise is required.

Profile of staff and duration of employment

For the majority of its activities, the EPPO requires experts who can handle criminal cases. These tasks are related to the implementation of the EPPO's core activities. Additional tasks involve the management and functioning of the EPPO, in order to provide technical and administrative support to its core business.

The contract for Temporary Agents is for three years. In line with Article 8 of the CEOS, this contract may be renewed for three more years. In case of second renewal, the contract will be for an indefinite period.

The contract for Contract Agents is for two years. In line with Article 85 of the CEOS, this contract may be renewed for three years. In case of second renewal, the contract will be for an indefinite period.

Appraisal exercise and reclassification

The annual appraisal exercise focuses on staff performance. This includes a dialogue between the actors involved and the possibility for appeal.

The first appraisal exercise took place in 2020. Only three staff members were eligible.

The 2021 appraisal exercise is in process.

The first reclassification procedure is expected to take place in 2021. In accordance with the Staff Regulations and implementing rules, eligibility criteria require a minimum of two years of service in the current grade.

The EPPO estimates a reclassification in accordance with Annex IB and Annex XIII of the Staff Regulations.

Gender and geographical balance

The gender balance among the EPPO's overall staff in 2020 was positive towards men (Table X). The aim of the EPPO is to recruit more women in 2021 and in the following years.

All of the EPPO's vacancy notices make clear that the EPPO accepts applications without any discrimination on sex.

Table X. Gender balance 31 December 2020

		Female	Male	Total
Temporary Agents	AD	13	30	43
	AST	8	3	11
Subtotal		21	33	54
Contract Agents		2	5	7
TOTAL		23 (37.7%)	38 (62.3%)	61 (100%)

As of 31 December 2021, the EPPO had staff representing 23 EU nationalities.

Table Y. Geographical balance 31 December 2020

Nationality	Staff	%
AT	1	1.64
BE	7	11.48
BG	4	6.56
CY	2	3.28
CZ	1	1.64
DE	2	3.28
EE	1	1.64
EL	6	9.84
ES	5	8.20
FI	1	1.64
FR	2	3.28
HR	1	1.64
IE	1	1.64
IT	7	11.48
LT	2	3.28
LU	1	1.64
LV	2	3.28
MT	1	1.64
NL	2	3.28
PT	1	1.64
RO	8	13.11
SI	2	3.28
SK	1	1.64

Schooling

There are two European Schools in Luxembourg; one is located in Kirchberg and the other in Mamer. They are Type 1 European Schools, which means that they are free of charge for the children of EPPO staff members.

EPPO staff members are able to provide their children with an education in their mother tongue. The European Schools offer the European Baccalaureate, which is recognised in all Member States.

VI. Environmental management

The EPPO occupies part of a building provided rent-free by the host state. This means that many of the environmental management parameters are managed by the host state, in full compliance with local environmental requirements. The IT infrastructure is currently provided by DIGIT, and the EPPO benefits from the same standard of environmental considerations that are applied at the European Commission.

VII. Building policy

The EPPO occupies part of a building provided rent-free by the host state. This is being delivered in phases during 2021 and will comprise eight office floors in the Tower and four floors in the Annex. Once fully delivered, there will be 288 office spaces and 16 meeting rooms of varying capacity from 10 to 68 persons.

The lease agreement between the host state and the EPPO is also being negotiated during 2021, and will contain the conditions for payment of service costs by the EPPO.

VIII. Privileges and immunities

EPPO privileges	Privileges granted to staff	
	Protocol of privileges and immunities / diplomatic status	Education/day care
	The Luxembourgish government granted diplomatic status to the European Chief Prosecutor and the European Prosecutors.	The children of the staff of EPPO have access to the European schools in Luxembourg. More information can be found in Annex V, under section 'Schooling'.

IX. Evaluations

External evaluations

Given the fact that the EPPO has only become operational during the second quarter of 2021, the College of the EPPO decided to not yet commission any independent external evaluations of the implementation of activities carried out by the EPPO.

The first audit of the European Court of Auditors and the Commission's Internal Audit Service will take place in the second half of 2021. Therefore, no recommendations from past audits are yet to be followed-up.

Internal monitoring and evaluation

In 2021, the EPPO will set up its own internal audit capability (IAC) that is responsible for providing both assurance and consulting services. The IAC drafts an annual internal audit work programme, which is based on the IAC's risk analysis and the IAC's portfolio of potential audit tasks.

The annual work programme includes recurring audits: review of internal control reports, ex-post controls (financial transactions; recruitment; procurement) and – based on the risk assessment carried out by the IAC in cooperation with the EPPO's management – one or two audits on specific topics.

Moreover, in order to reinforce the EPPO's internal monitoring and evaluation framework, KPIs are going to be defined in 2021, both at an organisational level, as well as at a unit level. These KPIs will be linked, respectively, to the EPPO's annual work programme and to the yearly work plans of the units. The EPPO will ensure that the KPIs are all Relevant, Accepted, Credible, Easy (to measure and monitor) and Robust (RACER).

X. Strategy for organisational management and internal control systems

Internal control framework

The EPPO adopted its internal control framework (ICF) on 24 March 2021, based on the Commission's ICF of April 2017. The ICF enables the EPPO to achieve its objectives through a consistent performance management approach and provides reasonable assurance of:

- effectiveness, efficiency and economy of operations;
- reliability of reporting;
- safeguarding of assets and information;

- prevention, detection, correction and follow-up of fraud and irregularities; and
- adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments concerned.

The ICF consists of five components and seventeen principles, and guarantees flexibility for management and the organisational entities to adapt them to their specific context, while ensuring a consistent implementation and assessment reporting thereof.

The ICF's components are interrelated and must be present and functioning at all levels of the organisation. The principles underpinning each component are further specified through baseline requirements, which provide guidance on actions to be implemented in order for the internal controls to be considered effective. These constitute the minimum standards referred to in Article 45 of the EPPO's Financial Rules.

The implementation of the ICF is continuously monitored and reported upon at least once per year through the Annual Activity Report.

Anti-fraud strategy

In accordance with Article 19 (4)(g) of the EPPO Regulation, the Administrative Director shall be responsible for preparing an internal anti-fraud strategy for the EPPO, and for presenting it to the College for approval. Moreover, in accordance with Article 114(b) of the EPPO Regulation, the College, on the proposal of the European Chief Prosecutor, shall adopt an anti-fraud strategy, which is proportionate to the fraud risks having regard to the cost-benefit of the measures to be implemented. Therefore, the EPPO adopted its anti-fraud strategy on 7 April 2021.

The EPPO has developed and implemented its anti-fraud strategy in 2021, based on the methodology provided by OLAF and the Commission's anti-fraud strategy. It is setting out an action plan covering the period 2021–2022. Afterwards, the EPPO will update and review this strategy as appropriate every two to three years. Its implementation will continue to be monitored annually with reporting to management.

To minimise the risk of fraud, as identified following the initial fraud risk assessment, specific anti-fraud related actions will be carried out by the EPPO during 2021, including:

- Setting up a system for internal reporting of suspected fraud and irregularities;
- Increasing fraud awareness among staff members through dedicated training sessions;
- Discussions at management level on how to further strengthen the culture of trust and zero tolerance to fraud in the EPPO, as well as the professional integrity of its staff members and;
- Ensuring that the EPPO's rules and ethical values are properly and regularly communicated from the highest levels to its entire staff, and that appropriate training is provided.

Risk management

The EPPO's Risk Management Policy foresees the annual preparation of a risk management register and plan, taking into consideration the risks identified by the organisational entities in the respective units. Based on this, an overview of the critical risks identified for the EPPO's 2021 activities/objectives is presented below.

	Risk title and description	Risk type	Residual risk level (1–10)	Risk response	Action plan
1	MFF 2021–2027: There is a negative discrepancy between financial and human resources requested by the EPPO and those proposed by the Commission. There is a risk that, in spite of lobbying efforts, the discrepancy between allocated budget and increase of demands for the EPPO support will result in the inability of the EPPO to support national authorities in referred cases.	External	8	Reduce & Transfer	The EPPO should further intensify its lobbying and communication activities to secure sustained support for its budget/staff and the acknowledgement of the added value of the outcome of its activities.
2	Coordination with other institutions and agencies: there is a potential risk of lack of efficient coordination amongst the relevant EU bodies (EPPO, Eurojust, Europol, OLAF).	External & Internal	7	Reduce & Transfer	Working arrangements were concluded between the EPPO and Eurojust/ Europol and OLAF. However, as the EPPO has only become operational during the second quarter of 2021, the risk has yet to materialise.
3	Backlog in cases transferred by the Member States: the number of legal cases (backlog) could be above expected, implying that they cannot be registered before the expiration of the evocation period. This compromises the EPPO's ability to exercise its competence.	External	8	Reduce & Transfer	The EPPO will engage with the national authorities and agree on a calendar for reporting the backlog. The EPPO will put in place a process of communicating with the European Delegated Prosecutors to ensure division of tasks when needed.
4	Appointment of European Delegated Prosecutors: the EPPO can only become operational once every participating Member State has appointed at least one European Delegated Prosecutor.	External	9	Reduce & Transfer	The EPPO is continuously in dialogue with the Member States in order to ensure that the agreed number of European Delegated Prosecutors is appointed.
5	IT: The Case Management System (CMS) is a newly developed system to handle the reported cases. Potential CMS malfunction or shutdown may cause significant disruption and/or delay of proceedings. There is also the risk that the system does not comply with the needs of all the stakeholders.	Internal	8	Reduce & Transfer	The CMS is tested rigorously by the project team. Moreover, input was requested from the various stakeholders at the different implementation phases.

XI. Plan for grant, contribution or service-level agreements

Not applicable.

XII. Strategy for cooperation with third countries and/or international organisations

In accordance with Article 99(3) and Article 104(1) and (2) of the EPPO Regulation, the EPPO may conclude working arrangements with the authorities of third countries and international organisations. Such working arrangements may concern, in particular, the exchange of strategic information and the secondment of liaison officers to the EPPO, and the designation of EPPO contact points in third countries, in order to facilitate cooperation in line with the operational needs of the EPPO.

For the purpose of judicial cooperation in criminal matters with third countries, according to Article 104 (3) and (4) respectively, the EPPO is bound by agreements concluded by the Union and these may apply multilaterally to whichever participating Member States are party – subject to notification by the participating Member States and acceptance by the third country concerned.

Third countries

While in the setting-up phase, the EPPO focused on negotiations with EU agencies and bodies, and with authorities of EU Member States that do not participate in the enhanced cooperation; in the coming years, the EPPO aims to conclude working arrangements with authorities of third countries, as well. The EPPO will prioritise the third countries with which it may apply for judicial cooperation existing multilateral conventions and other international agreements, and with which it is necessary to establish working arrangements, e.g. the United Kingdom (in the application of the EU-UK Trade and Cooperation Agreement); the United States (in the application of the EU-US MLA and extradition agreements); Japan (in the application of the EU-Japan MLA Agreement); Norway (in the application of the Agreement between the EU and Iceland and Norway on the application of certain provisions of the Convention of 29 May 2000 on Mutual Assistance in Criminal Matters between the Member States of the EU and the 2001 Protocol thereto).

Nevertheless, as these working arrangements are limited in scope, the EPPO supports negotiations by the Union of new agreements with third countries on cooperation in criminal matters with the EPPO, in accordance with Article 104(3) of the EPPO Regulation. To this end, consulted by the Commission in preparation of a Recommendation for a Council Decision opening negotiations for such agreements, the EPPO has identified as priorities for short/medium-term the following countries: Andorra, Liechtenstein, Monaco, Panama, San Marino, Switzerland, United Arab Emirates. Based on future operational needs, these priorities take into account the lack, or limited availability, of the agreements and multilateral conventions mentioned in Article 104(3) and (4) of the EPPO Regulation for judicial cooperation with these countries.

International organisations

Within its mandate, the EPPO will promote a close cooperation with the United Nations Office on Drugs and Crime (UNODC), taking into account that the EU is party to the United Nations Convention against Corruption (UNCAC) and the United Nations Convention against Transnational Organized Crime (UNTOC). In this context, the EPPO shall participate, along with the Commission and other relevant EU institutions, bodies and agencies, in the Implementation Review Mechanism of UNCAC. Moreover, the EPPO shall actively contribute to any activities promoted by the UNODC in areas that fall within the EPPO's mandate (such as the project of a Global Operational Anti-Corruption Network).

The EPPO supports possible negotiations between the EU and INTERPOL, and may envisage negotiating a working arrangement with this organisation.

Establishing cooperation with the World Bank, in areas that fall within the EPPO mandate, is also envisaged.

XIII. Procurement plan 2021

This Annex shows the tenders planned for 2021, in direct support of the EPPO's operational activities (Title III) from very low value tender procedures planned to also purchasing through European Commission and other EU bodies and institutions' Framework Contracts.

Unit accountable	Investment proposed, 2021	Objective	Procurement methods envisaged	Tentative launch date	Tentative award	Tentative signature of the contract(s)	Framework contract / Direct Contract (Services, Goods, Works)	If framework contract, total amount tendered	Budget Title(s)	Duration of the contract
IT, Security & Corporate Services	EUR 587K	IT consultancy services to reinforce and adapt the CMS on the basis of the experience of the initial implementation, establish business continuity and documents/records management framework, create the basis to acquire IT autonomy from the EC and duplicate – for business continuity purposes – our data centre.	Specific contracts and order forms in implementation of IT framework contracts already in place	N/A	N/A	Q3-Q4 2021	N/A	N/A	III	N/A
IT, Security & Corporate Services	EUR 1.3 m	Purchase of hardware/software to reinforce and adapt the CMS on the basis of the experience of the initial implementation, establish business continuity and documents/records management framework, create the basis to acquire IT autonomy from the EC and duplicate – for business continuity purposes – our data centre.	Specific contracts and order forms in implementation of IT framework contracts already in place	N/A	N/A	Q3-Q4 2021	N/A	N/A	III	N/A
Operations	EUR 1.3 m	Acquisitions of financial data analytic capacity	Specific contracts and order forms in implementation of IT framework contracts already in place	N/A	N/A	Q3-Q4 2021	N/A	N/A	III	N/A
Operations	EUR 233K	Access to financial databases	Specific contract in implementation of a DG ESTAT Framework contract already in place	N/A	N/A	Q3 2021	N/A	N/A	III	N/A
IT, Security & Corporate Services	N/A	IT consultancy services FWC	Open Call for Tenders	Q4 2021	Q2 2022	Q2 2022	Framework contract	15.000.000 €	III	4 years
Comms	N/A	Stock library images	Negotiated procedure below 60.000,00 €	Q3 2021	Q4 2021	Q4 2021	Framework contract	60.000 €	III	2 years
Comms	N/A	Promotional material	Negotiated procedure below 60.000,00 €	Q3 2021	Q4 2021	Q4 2021	Framework contract	60.000 €	III	3 years
Comms	N/A	Media monitoring and search engine	Negotiated procedure below 15.000,00 €	Q3 2021	Q3 2021	Q3 2021	Framework contract	15.000 €	III	3 years