

CORPORATE

Anti-Fraud Activity Report 2017



European Investment Bank

Anti-Fraud

Activity Report 2017

European Investment Bank Anti-Fraud Activity Report 2017

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Foreword by the Inspector General



When you read this activity report, you will see that the year 2017 was again a busy period for the Inspectorate General's Fraud Investigations Division (IG/IN). After 60 years of operations, the EIB Group has grown in terms of volume, geographical scope, financial products, and sectors covered. IG/IN has accompanied this development through hard work and dedication.

While its core area of work is investigations, the activities of IG/IN extend beyond that to proactive integrity reviews, policy work, raising internal awareness, and international cooperation. This activity report contains case studies and interesting examples in these different areas of work. When we look at the statistics (an increase of 30% in the number of allegations over the past three years), it is clear that the mission of IG/IN is as relevant as before. The growth of the EIB Group in sometimes challenging environments has coincided with an increased threat of corruption. Consequently, the EIB Group has set up a robust anticorruption agenda.

Corruption remains a challenge for Europe. As the OECD points out, this widespread phenomenon not only raises serious moral and political concerns, it also undermines economic development and distorts international competition. The estimated cost of corruption in Europe is EUR 120 billion per year. As a result, there is a growing consensus in the international community that corruption is a critical issue in many countries and a substantial hurdle to them fulfilling their economic potential.

The EIB Group's commitment to integrity and accountability is clearly articulated in the EIB and EIF Anti-Fraud Policies, which reaffirm zero tolerance towards prohibited conduct (including fraud, corruption, collusion, coercion, obstruction, money laundering and financing of terrorism). Zero tolerance does not mean zero aversion to risk in the challenging environments in which the EIB Group operates, but rather that the EIB Group will not tolerate any prohibited conduct and will investigate all allegations and take the appropriate action when evidence of prohibited conduct is found. In doing so, IG/IN ensures that the EIB Group's integrity framework is effective.

While IG/IN plays a key role in the fight against prohibited conduct, we are constantly reminded that maintaining a high standard of integrity is everyone's responsibility at the EIB Group. The EIB Group's Anti-Fraud Policies therefore provide for a number of measures to prevent and deter prohibited conduct in all its activities. In addition, IG/IN actively raises awareness of prohibited conduct risks among EIB Group staff through a number of outreach and training initiatives.

I am pleased to present the 2017 edition of the annual report, which highlights IG/IN's overall contribution to the EIB Group's mission and the effectiveness of its integrity framework. None of this work would have been possible without the commitment and hard work of the staff of IG/IN. I would like to thank them for their efforts and dedication to their mission, and at the same time also thank the other colleagues of the EIB Group for their cooperation.

Jan Willem van der Kaaij
Inspector General

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IG/IN's mission

The mission of IG/IN is to provide the EIB Group with the capacity to professionally and objectively investigate allegations of prohibited conduct involving EIB Group-financed activities and/or members of governing bodies or staff. IG/IN provides the EIB Group with relevant facts and recommendations to form the basis of appropriate follow-up. This mission is conducted in close cooperation with OLAF.

IG/IN also conducts proactive integrity reviews in areas of increased risk, using forensic methodology to identify red flags of prohibited conduct and other vulnerabilities in the EIB Group's financed projects, based on risk rather than on a specific allegation. IG/IN provides "lessons learned" from these reviews and investigations in order to improve the effectiveness and efficiency of the EIB Group's operations and activities.

In terms of prevention and deterrence, IG/IN conducts activities designed to (i) increase awareness among staff about prohibited conduct; (ii) advise EIB Group services on integrity-related contractual requirements, policies and procedures; (iii) contribute to settlement discussions with entities that have engaged in prohibited conduct; and (iv) strengthen cooperation across borders with other actors in the fight against corruption.

Without prejudice to the powers conferred on OLAF (**European Anti-Fraud Office**), IG/IN enjoys complete independence in the exercise of its responsibilities within the Bank. Although IG/IN does not have judicial powers and conducts administrative fact-finding inquiries, IG/IN employs highly experienced investigators, who come from a wide range of different backgrounds including former prosecutors, former law enforcement agents, and forensic specialists. IG/IN investigations are conducted in an objective manner and in strict confidentiality to protect the parties involved and the integrity of the investigation process. IG/IN is actively engaged in cooperation with international financial institutions, OLAF, and other national and international investigation, prosecution and anti-corruption authorities to contribute to a more coherent approach on integrity and investigation-related topics.

Investigating prohibited conduct

2.1 Investigations

IG/IN's investigations are a fact-finding process aimed at determining the veracity of allegations or suspicions of prohibited conduct such as fraud (including tax fraud), corruption, coercion, collusion, obstruction, money laundering and financing of terrorism affecting the EIB Group's activities¹. These are conducted in close cooperation with OLAF and are the core of IG/IN's activity.

In 2017, IG/IN received and investigated an increased number of allegations of prohibited conduct. IG/IN also continued to develop its forensic capacity and tools to keep pace with changes in information technology. Below are some examples of cases IG/IN investigated in 2017.

While the Bank is committed to a presumption of disclosure and transparency, it also has the duty to respect professional secrecy in compliance with laws and the confidentiality of its investigative process. In this context, IG/IN seeks the appropriate balance between transparency and confidentiality when disclosing information on cases it has investigated.

2.2 Case studies

Support for Malawi authorities in tackling corruption

Region	African, Caribbean, Pacific Countries (ACP)
Source	External (informant)
Red flags	Non-competitive Contract Award

An EIB loan to the Government of Malawi for the optimisation of water resources showed irregularities pointing to alleged corruption on the part of a public official at the Lilongwe Water Board, a public entity within Malawi's Ministry of Transport. In the initial stages of the investigation, IG/IN's collaboration with Malawi's Anti-Corruption Bureau had led to the execution of search warrants and the arrest of those allegedly involved. In 2017, investigators continued to provide specialist assistance to the Malawi Anti-Corruption Bureau. As a result, one additional person was identified as allegedly being involved. At the end of 2017, the case had been listed for trial before the Court and IG/IN will provide evidence to assist the court in determining the facts.

Fraud in an equity fund

Region	African, Caribbean, Pacific Countries (ACP)
Source	Internal
Red flags	Failure to report information

IG/IN received allegations from EIB staff about fraudulent practices concerning an investment fund incorporated in a country in Africa. The allegations involved the fund manager and included opaque transactions, failure to report information, and failure to comply with the fund rules on convening meetings and fairness in communicating data. IG/IN reviewed the allegations and an investigation was opened. IG/IN, in cooperation with other services within the Bank and other investors in the fund, performed forensic audits, collected documentary evidence and interviewed the fund's managers and investee companies' representatives.

1. As per §B(3) of the Investigation Procedures.

Despite the lack of cooperation by the fund manager who prevented access to the sites and used delaying tactics, IG/IN used sophisticated investigative techniques to obtain relevant information from sources other than the fund manager and was ultimately able to substantiate the allegations of fraud.

The investigation found that the fund's management (i) issued misleading reports on the fund's activities; (ii) provided false external auditor reports on investee companies; (iii) engaged in opaque sub-group transactions; (iv) potentially breached national employment regulations; and (v) failed to comply with the fund's governing rules. As a result the fund was put under liquidation. The fund's manager was also removed from his position in another investment fund running in parallel.

Corruption in public procurement

Region	Europe
Source	Promoter and Internal
Red flags	Political pressure

IG/IN received allegations concerning a case of corruption in an EIB-financed project for the construction of a motorway in the Balkans. The case was flagged up to IG/IN by the EIB's services which had received a letter from the project manager indicating that the tender evaluation committee had been under pressure to favour a particular bidder at the moment of evaluating the bids. Working in close cooperation with EIB services, IG/IN established that the project manager's officials had tried to favour a local company. The investigation identified that the project manager was influenced by political groups trying to favour different specific interests to the detriment of some bidders and in violation of the tender rules. As a result of IG/IN's investigation, the procurement process was cancelled and the construction works retendered.

Phishing scam

Region	Web
Source	External (internet)
Red flags	Misuse of EIB logo

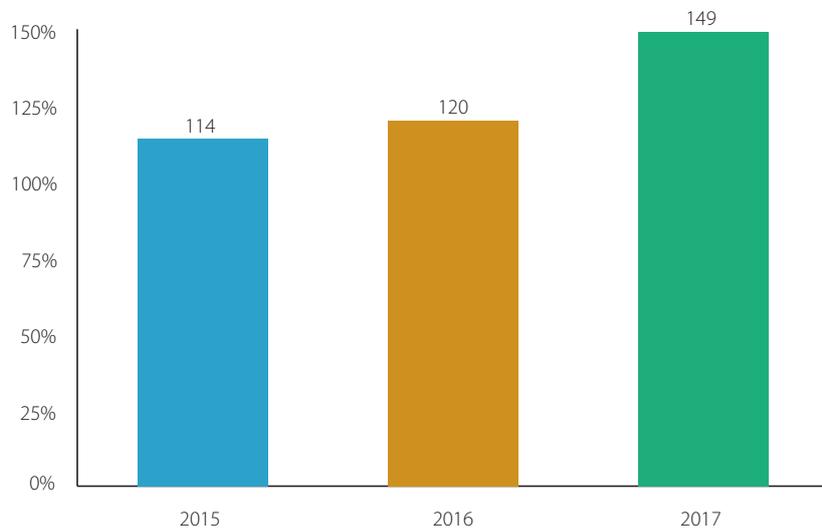
In 2017, a number of "phishing" and internet scams misused the name of the EIB and its staff and management to try to cheat members of the public into paying administrative or application fees purportedly in exchange for obtaining some benefits from the EIB. As a publicly owned international financial institution, the EIB does not charge for such services and the EIB does not lend to individuals. An example of this kind of case: an informant stated that he applied for a loan from the "EIB Bank Group" via the internet which required him to pay a fee for notary and administrative costs. The informant did not hear anything further about the loan and sought to claim the money back from the EIB. IG/IN informed him that he was the victim of a scam – he was advised to refrain from further contact with the fraudsters and to file a complaint with the local police. IG/IN arranged through the domain host for the email address and fake website used by the perpetrator to be closed down.

2.3 Statistics for 2017

In the course of 2017, IG/IN registered 149 new allegations and worked on a total of 302 cases (including cases carried over from the previous year). This signifies an increase of 24% in the number of allegations referred to IG/IN for investigation. The cases referred in 2017 also included a number of matters which required a higher than average level of resources, due to the nature and complexity of those cases.

Below is a detailed overview of 2015-2017 data.

New allegations received between 2015 and 2017

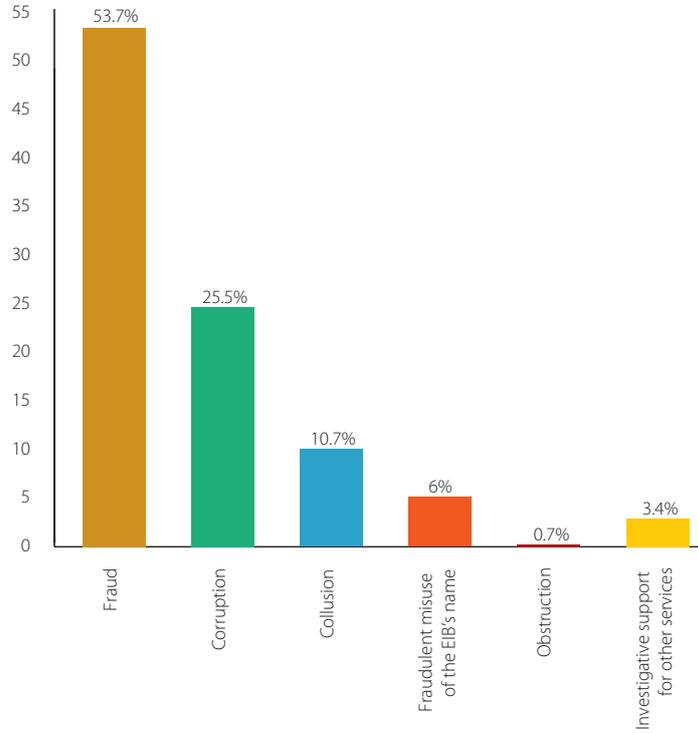


EIB and EIF	2015	2016	2017
New cases received during the year	114	120	149
Cases closed during the year	115	116	126
Cases under active investigation (as at 31 December)	109	113	136
Cases under monitoring (as at 31 December)	14	40	59

126 cases were closed in 2017, of which 30% were found to be substantiated and 39% unsubstantiated, and 31% were closed at the assessment stage because there was not enough information or evidence to warrant the opening of an investigation.

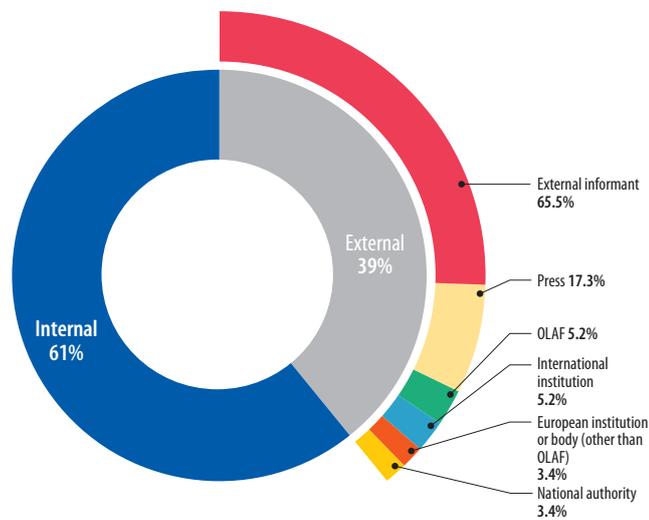
Fraud and corruption in relation to EIB Group operations are by far the most common type of allegations received by IG/IN.

Areas of investigations



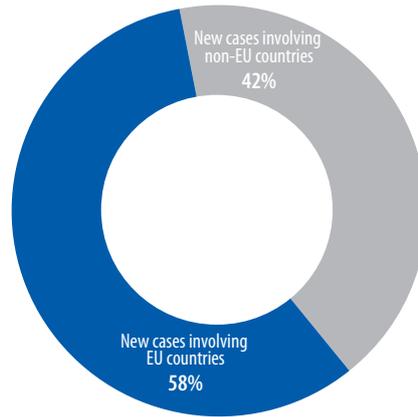
Allegations are received from a wide range of sources, both internal and external. Allegations can be submitted via a dedicated "Investigations" email address (investigations@eib.org), or via a reporting link on the EIB Group website (<http://www.eib.org/infocentre/anti-fraud-form.htm>). This was made easier in 2016 by the translation of the reporting form and associated information pages into 30 languages.

Sources of allegations in 2017



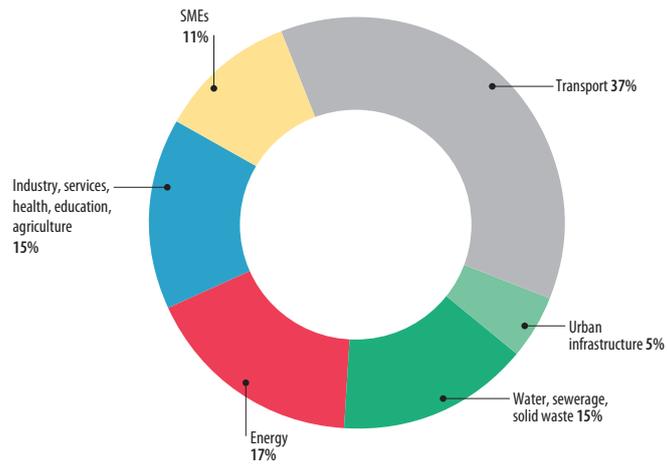
In terms of geographical scope, the number of external investigations involving EU countries was larger than the number of cases involving non-EU countries. About 90% of the EIB's funding is within the EU.

EIB Group external Investigations – Geographical scope



The broad sectoral trends seen in 2015 and 2016 continued into 2017, with transport being the sector most frequently impacted by IG/IN's investigations.

EIB external Investigations – Sectors



Deterrence and rehabilitation: exclusion and settlements

The EIB Anti-Fraud Policy states that an individual or entity that is found to have engaged in prohibited conduct may be excluded from participation in EIB-financed projects or operations. The EIB also enters into negotiated settlements with entities and individuals that have engaged into prohibited conduct.

To further strengthen this framework, the EIB approved an Exclusion Policy in late 2017, the main provisions of which are summarised below.

3.1 The Exclusion Policy

With the extensive involvement of the Bank's services, IG/IN revised the Bank's exclusion framework resulting in the approval of a new EIB Exclusion Policy by the Board of Directors in December 2017.

The EIB Exclusion Policy provides for an autonomous exclusion process while building synergies with the EU and Multilateral Development Banks' (MDBs) exclusion frameworks. In particular, it adopts the "best practices" of the MDBs' and EU debarment processes and provides the flexibility necessary for the EIB to respond to a wide range of situations.

The EIB's Exclusion Policy² sets forth the policy and procedures for the exclusion of entities and individuals found to have engaged in prohibited conduct from EIB-financed projects and other EIB-related activities for a certain period of time. The EIB's Exclusion Policy aims to enhance the Bank's ability to combat prohibited conduct by enforcing the prohibitions contained in the EIB's Anti-Fraud Policy and, in doing so, contributes to safeguarding the financial interests of the European Union.

The EIB's exclusion proceedings follow a three-stage review process:

1. Based on the result of an investigation into allegations of prohibited conduct, the EIB's Inspector General initiates exclusion proceedings by issuing a notice with supporting documentation to the subject of the investigation and simultaneously to the EIB's Exclusion Committee. The Exclusion Committee consists of five members, including three EIB staff members and two external independent members.
2. The Exclusion Committee reviews the materials, including any documents submitted by the subject of the exclusion proceeding, in order to determine whether the evidence presented convincingly supports the conclusion that the subject engaged in prohibited conduct. If so, it shall proceed to consider the recommendation of an appropriate exclusion of the subject. The Operating Procedures for the Exclusion Committee³ provide the basis upon which the Exclusion Committee shall carry out its functions.
3. The recommendation produced by the Exclusion Committee is presented to the EIB's Management Committee, which decides on the exclusion if, in its reasonable opinion, the evidence convincingly supports the conclusion that the subject engaged in prohibited conduct.

IG/IN is working with the Bank's services on the implementation of the exclusion process. A new EIB webpage dedicated to exclusion was published in early 2018⁴. In addition to general information on the EIB exclusion framework, the webpage also contains a list of entities excluded from EIB-financed projects and activities.

2. <http://www.eib.org/infocentre/publications/all/exclusion-policy>

3. <http://www.eib.org/infocentre/publications/all/operating-procedures-for-the-exclusion-committee.htm>

4. <http://www.eib.org/about/accountability/anti-fraud/exclusion/index.htm>

3.2 Negotiated settlements

At any time before or during an investigation or during exclusion proceedings, the Inspector General may, after consultation with the President of the EIB and the Vice-President with responsibility for compliance and control, initiate negotiations with any individual or entity that has engaged in prohibited conduct.

Such settlements usually include a period of exclusion, provisions for cooperation with IG/IN, subsidising anti-corruption initiatives, and putting in place compliance best practices. While the purpose of exclusions is to deter prohibited conduct, compliance programmes and cooperation with IG/IN aim to rehabilitate companies and to protect the integrity of EIB-financed projects and activities going forward.

A list of historical settlements agreed by the Bank and the respective parties is published on the new EIB exclusion webpage⁵.

3.3 Negotiated settlement with Iberinco⁶

In 2017, IG/IN entered into a negotiated settlement with the Spanish company Iberdrola Ingeniería y Construcción S.A.U. (Iberinco).

The settlement agreement addressed historical misconduct in connection with the EIB-financed Riga Thermal Power Plant 2 Unit 1 in Latvia, contracted in 2005. As part of the settlement, Iberinco is excluded from EIB-financed projects for a 12-month period starting on 22 December 2017. Iberinco and its group will develop and implement a specific sponsorship programme to support activities in favour of the fight against corruption and fraud.

Iberinco will closely cooperate with and assist the EIB going forward in its efforts to investigate alleged prohibited conduct in EIB-financed projects. Both parties also agreed to exchange best practices in relation to compliance standards and the fight against fraud and corruption.

Since the beginning of the investigation, Iberinco has cooperated with the EIB in clarifying matters related to the wrongdoing addressed. Also, Iberinco has taken the necessary steps to hold employees accountable, and review its compliance systems to ensure such misconduct is not repeated.

5. <http://www.eib.org/about/accountability/anti-fraud/exclusion/index.htm>

6. <http://www.eib.org/en/infocentre/press/news/all/eib-and-iberinco-settlement-agreement-to-address-and-combat-fraud.htm>

Detection of prohibited conduct

While investigations usually arise from specific reporting of allegations, IG/IN has developed in parallel a risk-based approach called Proactive Integrity Reviews (PIRs) to detect potential prohibited conduct. In 2017, IG/IN enhanced its selection methodology for PIRs as detailed below.

4.1 Proactive Integrity Reviews (PIRs)

In addition to investigations which primarily react to allegations reported to IG/IN, IG/IN conducts PIRs to identify potential vulnerabilities of EIB Group operations and projects⁷. PIRs constitute an important way to detect prohibited conduct. The major differences between a PIR and an investigation are:

- an investigation is opened on the basis of an allegation of prohibited conduct while a PIR is launched as a result of a risk assessment or a request from services; and
- PIR fieldwork is performed by external consultants (forensic auditors and experts in the subject matter) under the direction of IG/IN investigation staff.

PIRs are a proactive tool that examines EIB Group-financed projects to ensure that the Group's funds are being used for their intended purposes and, in doing so, to assess the project's vulnerability to prohibited conduct.

A PIR assesses whether a project could be affected by prohibited conduct and how large that problem may be and identifies areas for follow-up and intervention. PIRs also identify areas of higher risk (red flags) and recommend remedial action. In each case, IG/IN determines if there is a need for a follow-up investigation.

PIRs have proved to be an effective tool for identifying indications of fraud and irregularities that have not been reported and which would otherwise have continued, undetected, despite the existence of regular controls.

New PIR Selection Methodology

In order to enhance the methodology used for the selection of projects, in 2017, IG/IN undertook an exercise of (i) benchmarking equivalent International Financial Institutions; and (ii) reviewing available data sources at the EIB in order to develop a methodology for robust integrity risk assessments of EIB operations. The objective of the methodology review was to seek efficiencies in the process and possibly increase PIR coverage (to adjust it to the increased number of EIB operations), as well as to improve identification of red flags for fraud and indications of irregularities. The new PIR methodology provides a standardised process called an Integrity Red Flag Assessment (IRFA). IRFA is a comprehensive approach aimed at the detection and valuation of indications of potential irregular handling and performance of EIB-funded projects. In 2018, subject to available resources, IG/IN will conduct a pilot implementation of the new methodology, which will ultimately lead to a significant increase in the PIRs undertaken every year.

7. §26 of the Anti-Fraud policy.

Case study: PIR on intermediated loans for SMEs



IG/IN recently carried out several PIRs on intermediated loans, both in EU Member States as well as outside the EU. Multiple Beneficiary Intermediated Loans (MBILs) are lines of credit extended to Financial Intermediaries – banks, leasing companies, public support institutions, or any other entity qualifying for the role (“FIs”) – which on-lend the proceeds made available by the EIB in the form of “allocations” (sub-loans) to a large number of final beneficiaries (FBs) such as small and medium-sized enterprises (SMEs).

At a number of FIs, IG/IN reviewed the loan files and inspected the credit and loan approval process. IG/IN also conducted on-site visits of the respective projects and FBs.

The irregularities and schemes identified in the sample of operations reviewed included:

1. weaknesses of internal control systems at the levels of the FIs reviewed, such as: i) deficient “know your customer” and anti-money laundering due diligence; and ii) inadequate monitoring of related parties and politically exposed persons (PEPs);
2. indications of money laundering: i) some of the FBs used the allocations to finance the purchase of goods and services from related parties registered in non-cooperative jurisdictions; ii) existence of high-value loans with the ultimate beneficial ownership potentially linked to organised crime figures; iii) allocations were used to finance poorly documented high-value transfers and transactions with related parties, thus indicating the usage of the FBs as front companies; and iv) loans given to FBs linked to PEPs;
3. ineligible purposes: some allocations were partly used for ineligible purposes such as refinancing of pre-existing long-term loans with other banks, or payment of dividends and overdue taxes;
4. the FIs reviewed by the PIR sometimes granted loans to FBs that were not compliant with SME eligibility criteria; and
5. these FIs provided the EIB with misleading and false information when communicating with the EIB on the nature of the projects and FBs to be financed.

Based on these findings, the EIB concluded that a number of the sub-loans granted were ineligible and requested a partial prepayment of the loans to the relevant FI. In addition, a remediation plan has been implemented at the EIB to strengthen the controls over the allocations made by the FIs under these MBIL operations.

4.2 Policy initiatives

IG/IN Charter

In December 2017, the EIB's Management Committee approved the Fraud Investigations Division Charter (IG/IN Charter). The IG/IN Charter has been developed to provide an overview of the mission, scope, work, authority and core principles of the Fraud Investigations Division in a single document.

Raising fraud awareness

Prohibited Conduct Awareness Training for EIB staff

The Bank's fraud awareness programme is composed of several mandatory courses, including an "Ethics and Integrity" course, a "Control and Accountability Mechanisms" training session and a "Fraud and Corruption Awareness" training session:

1. The Fraud and Corruption Awareness training session has been running since 2009, and by the end of 2017 a total of 1 859 current staff members (mainly from the Bank's operational and control functions) had been trained to recognise red flags and to know how to react to the possible occurrence of prohibited conduct.
2. The Ethics and Integrity and the Control and Accountability Mechanisms training courses are part of the Bank's induction programme and are mandatory for all newcomers. In 2017, IG/IN contributed to Ethics and Integrity sessions delivered to 236 new staff members, as well as to Control and Accountability Mechanisms sessions delivered to 311 new staff members.

In 2017, IG/IN also successfully delivered two training sessions on Fraud and Corruption Awareness to staff members of the European Investment Fund.

All of these training activities are designed to equip staff members with the ability to recognise the red flags of prohibited conduct. This programme also aims to avoid any acceptance or rationalisation of prohibited conduct in the EIB Group's activities in order to ensure that the zero tolerance principle enshrined in our policy is applied in our day-to-day business.

In 2017, IG/IN worked to enhance the Bank's fraud awareness programme, including the development of an annual refresher training course through an e-learning platform.

In 2018, IG/IN will pay particular attention to staff members located in external offices, for example by running classroom sessions in these offices.

Awareness-raising events

Internally, and in addition to the above, IG/IN organised a number of events to raise staff awareness of prohibited conduct-related issues such as: (i) the Construction Sector Transparency Initiative on the delivery of better value from public infrastructure through good governance; (ii) the Siemens Integrity Initiative on corruption risks and how to mitigate them; and (iii) a series on "Uncovering Fraud" run by IG/IN's PIR team.

During 2017, IG/IN staff also attended and provided input into issues discussed at the following international forums:

1. ***EIB Board of Directors Seminar with Civil Society*** – This seminar, a key pillar of the Bank's stakeholder engagement, provided an opportunity for constructive discussions between civil society organisations (CSOs) and the Bank's Board of Directors and services.

2. **Conference of International Investigators** – Cross-cutting topics of interest to UN, MDB and OLAF investigators including tools for gathering/analysing evidence, information from confidential sources and open-source IT tools.



3. **C5 Nordic Conference** – The work of the MDBs to combat prohibited conduct including exclusion processes was presented to a large audience of private sector participants.
4. **MDBs Heads of Investigation Meeting** included discussions to further harmonise definitions of illegal activities and guidelines on proactive reviews and referrals to national agencies.
5. **G7 Workshop on Corruption Measurement** – A forum to share knowledge, experience and good practices in developing reliable measurements of corruption and corruption indicators (red flags).
6. **International Seminar on Financial Investigations** hosted by the Hong Kong Independent Commission Against Corruption (ICAC) to discuss new ways of gathering evidence and targeting assets for possible confiscation.
7. **Ecole Nationale d'Administration (ENA)** – A workshop with government officials to discuss the risks of prohibited conduct in procurement processes.
8. **Sorbonne University's masters course** focuses on audit and control and aims at training future auditors and public finance executives. IG/IN's lecture sought to draw their attention to the risks of prohibited conduct and how to identify red flags in their future professional functions.
9. **Groupe Pilote** – IG/IN participated in the 8th Pilot Group meeting organised at OLAF to strengthen cooperation with investigative authorities in Africa.

International Cooperation - Memoranda of Understanding

In accordance with the EIB Group Anti-Fraud Policies⁷, the Bank may sign Memoranda of Understanding (MoU) with law enforcement agencies or other similar organisations in order to facilitate the exchange of information on cases of mutual interest concerning suspected prohibited conduct. IG/IN also conducts investigations jointly with OLAF and/or with national agencies.

As an example of its increased focus on international cooperation, IG/IN worked towards the signature of MoUs between the EIB and a number of National Anti-Corruption Authorities in 2017.

Tunisia

The EIB and the Tunisian National Anti-Corruption Authority (INLUCC) signed an MoU to join forces for their common objective of preventing and combating corruption and associated offences. The agreement lays the basis for long-term cooperation between INLUCC and the Bank. INLUCC's visit to the EIB also provided an opportunity for further discussions on collaborative ways to implement both institutions' complementary goals in Tunisia.



Mr Jan Willem Van Der Kaaij, EIB Inspector General, and Mr Chawki Tabib, INLUCC President.

7. §53 of the Anti-Fraud Policy states the following: "The Bank may sign a Memorandum of Understanding with law enforcement agencies or other similar organisations in order to facilitate the exchange of information on cases of mutual interest concerning suspected Prohibited Conduct, subject to the respect of applicable data protection provisions."

Looking ahead – 2018

In 2018, IG/IN anticipates an increased work load in support of the Bank's effort to maintain an adequate level of protection against prohibited conduct. IG/IN's work will focus on effectively and fully investigating all credible allegations and implementing the EIB Exclusion Policy subject to available resources. IG/IN will further develop its ability to quickly deploy investigative missions in the field to gather the facts necessary to help the Bank make operational decisions with the assurance that integrity risks are appropriately addressed.

To enhance proactive work, in 2018, IG/IN will implement the newly established methodology for conducting PIRs. This will result in an increased number of projects and activities benefiting from the forensic and detailed review that PIRs provide. IG/IN sees this as an incentive for parties involved in project implementation to improve good governance and business integrity.

IG/IN will continue to closely cooperate with international and national partners through Memoranda of Understanding. It will launch a review of the Anti-Fraud Policy, last updated in 2013, to adapt the framework to new challenges and developments in the EIB Group's business. IG/IN will also continue sharing lessons learned from investigations with EIB Group services to make procedures and processes more resilient to the risks of prohibited conduct. This type of interaction with the Bank's staff also serves as a reminder that as a financial institution we all have a fiduciary responsibility to ensure that EIB Group funds are used for their intended purposes.

In December 2018, the EIB will host its third Anti-Corruption Conference, a global forum for sharing knowledge and experience with all those engaged in fighting prohibited conduct.

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The EIB bank



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