



Brussels, 14 March 2018

**To: Mr Nicholas Ilett**, Acting Director General, European Anti-Fraud Office

*Subject: Investigation into alleged EU funds and agriculture subsidies frauds in Slovakia*

Dear Mr. Ilett,

We are writing to request that the European Anti-Fraud Office start an immediate investigation into alleged fraud and mismanagement in the spending of EU funds and agriculture subsidies in Slovakia.

As the media have widely reported after the murder of Slovak investigative journalist Ján Kuciak and his fiancée Martina Kušnírová, there is potentially a systemic fraud in the distribution of EU funds and EU agriculture subsidies on the national level in Slovakia.

The report by the joint fact-finding mission of the Committee on Civil Liberties, Justice and Home Affairs and the Committee on Budgetary Control of the European Parliament which took place on 7-9 March 2018 contains disturbing information regarding the management of EU funds in Slovakia, particularly by the Slovak Agriculture Paying Agency (APA). The report highlights allegations concerning organized structures which might be connected to the people who select the programs that will benefit from EU funds in Slovakia.

Allegedly, some people can benefit from EU agriculture subsidies without having anything to do with the land. Also, as described in the report, it was found that there are problems with overlapping claims for EU agriculture subsidies where claims are made by several people on the same plot of land. There are no checks on who actually owns the land. Therefore it cannot be excluded that somebody could make a claim for subsidies for land which is in fact owned by somebody else.

Last but not least, an audit of the APA performed by the Slovak Supreme Audit Office (SAO SR) heavily criticised the APA's management of EU funds. The SAO SR audit analysed the execution of calls for proposals and invitations under the programming period 2014-2020 managed by the APA. 28 shortcomings were identified, most of them regarding the procedures for the management of EU funds. The SAO SR ascertained a biased approach in the system for evaluating the application of non-repayable contributions (AfNRCs). The audit also found that there was no manual for the expert evaluations of AfNRCs and that some of the expert evaluators were without appropriate expert education or experience. The final evaluations and their subsequent approval or disapproval therefore relied on a subjective assessment. The SAO SR clearly stated that it did not acquire adequate assurance that at the stage of the expert evaluations, a unified, expert, unbiased and transparent approach was secured in conformity with European principles.

We find all this information alarming as it strongly signals that there is a potentially systemic misuse of EU funds in Slovakia. We are very concerned that EU funds and agriculture subsidies could be siphoned off to fund criminal activities. We therefore ask the European Anti-Fraud Office to investigate these allegations and to make sure that any abuse is brought to an end.

We thank you in advance for your consideration and immediate action.

Kind regards

Pascal Durand

Sven Giegold

Benedek Jávor

Eva Joly

Julia Reda

Judith Sargentini

Molly Scott Cato

Bart Staes

Annexes:

Report on the ad hoc delegation to Slovakia, 7-9 March 2018, Directorate-General for Internal Policies of the Union, Secretariat of the Committee on Budgetary Control, Secretariat of the Committee on Civil Liberties, Justice and Home Affairs, Brussels, 12 March 2018

Section Final Report, Execution of call for proposals and invitations from the programming period 2014-2020: Agriculture Paying Agency, Supreme Audit Office Slovak Republic, 2016