



DIGITAL FORENSIC OPERATIONS FRAUD IN AGRICULTURE

ON THE SPOT CHECKS



LEGAL FRAMEWORK ON THE SPOT CHECKS AND DIGITAL FORENSIC OPERATIONS

European union law

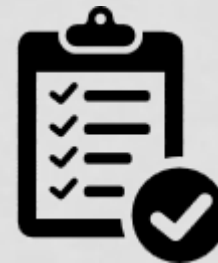
- **Art. 325 TFEU and Commission decision** establishing OLAF
- **Regulation 2988/95** on the protection of the EC financial interests
- **Regulation 2185/96** concerning on the spot checks and inspections
- **Regulation 883/2013** – OLAF concerning the investigations of OLAF
- **Guidelines on Investigation** procedures of OLAF

National law

- **Public Financial Inspection Agency Law, Chapter 3a**
- **Rules of Implementation of PFIA Law, Chapter 5a**
- **Rules of the implementation** of the Law on the Ministry of interior, art. 85b
- **AFCOS' Internal rules** on investigation procedures and on operational cooperation



GENERAL WAY TO DO ON-THE-SPOT CHECKS WITH OLAF



1. Gathering and expanding information



- AFCOS and Ministry of Interior databases
- Commercial Register
- Irregularity Register
- Address visit

2. Provision of participants



- Logistical support – with computers, technics, cars
- Economic operator
- Prosecution's office
- Local police authorities
- **Public Financial Agency Inspection**
- Other competent authorities

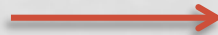
3. Update of the information of the on-going pre-trial proceedings and prosecution checks

4. Interview preparation



- By AFCOS
- By the Managing authority
- Collection of documents

5. Final On-the-spot Check Plan



Must be communicated to the Minister of Interior

GENERAL WAY TO DO ON-THE-SPOT CHECKS WITH OLAF



6. Meeting at AFCOS premises



*Between OLAF inspectors,
head of Unit OC and AFCOS*

7. Starting the on-the-spot check



- *Written authorization*
- *Identity of team*
- *Purpose and scope of OTSC*

8. On-the-spot check core activities



- *Operative center and instant support*
- *All kind of documentation;*
 - **computer data;**
 - *physical checks as to nature of quantity of goods;*
 - *budgetary and accountant documents,*
 - *documentation of the project etc.*

9. Finalizing the On-the-spot Check



- *Report of the OTSC*
- *Objection and Comments*
- *Work meeting in AFCOS*

10. Analysis on the results



This is the general way to assist OLAF.
But what happens when **digital forensic operations** are involved?



POSSIBLE SCENARIOS OF DIGITAL FORENSIC OPERATIONS ASSISTANCE

- The Public Financial Inspection Agency (PFIA) shall provide assistance to the inspectors of the OLAF for carrying out OTSC s, in case of:
 - 1. Denied access to premises, means of transport, and also other places used for keeping documents, recordings of computer information data, carriers/storage of computer information data of the investigated organization/person';
 - 2. Denied to provide voluntarily documents, recordings of computer information data, carriers/storage of computer information data, necessary for the check, where access has been granted.
- **Carrier of computer data – harddrive, SSD, usb, CD, DVD, storage devices, memory card, phone, tablet, PC etc.*



MODUS OPERANDI OF DIGITAL FORENSICS OPERATIONS

Scenario 1:



Access to premises denied to OLAF, where computer data is

PFIA contacts the District Directorate of the Police

Police, Public Financial Agency and OLAF and AFCOS enter premises

The access to premises is given with least damage to property

OLAF enters the premises and starts the OTSC.

The Economic operator cooperates and provides required digital data

End of scenario № 1

The economic operator refuses to provide digital data

Start of scenario № 2

SEQUENCE OF DIGITAL FORENSICS PROVISION TO OLAF – SCENARIO 2

Access to premises allowed, but providing computer data denied

Financial inspector could seal the premises.

PFIA requests the region Court to issue a warrant for search and seizure of comp. data

The Regional court takes a decision immediately

PFIA Director request assistance from the Police authorities for search and seizure

Financial inspector + police carry out search and seizure

Copy of the seized data is given to OLAF



Successful investigation performed by OLAF and AFCOS

End of scenario № 2

CASE STUDY

- Initial information from State Agency “National Security”
- Possible irregularity/fraud in Agriculture
- Project – forest planting.
- The preliminary information from the criminal investigative services (SANS) is that the project is not completed.
- Documentation shows everything to be correct
- Request for payment is made
- OTSC and results
- Recommendations and closure of case.





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