



**Standing Up To State Capture:
Innovative Methods to Investigate Fraud and Corruption in EU
Funding for Agriculture**

Ognian Shentov, Chairman, CSD
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Ladies and Gentlemen,

Today's conference is devoted to a topic where two of the most pressing issues of recent years, particularly for the new EU member states, intersect, namely state capture and fraud in EU funding, including funding for agriculture.

Countering state capture, which is a form of systemic political corruption, is a key political problem. Its solution, if and when faint attempts at it are made, needs to be addressed via a set of specialized tools. One such tool would be a State Capture Index – an innovative instrument that my colleagues are going to present before you today.

A typical example of the second issue – fraud in EU funding – in particular for Bulgaria and Romania, is the agricultural sector. Unlike the majority of EU countries, in Bulgaria and Romania the agricultural sector still preserves its importance. The value added of the sector as a share of GDP in the two countries is more than twice as high as the average in

EU28. Romania and Bulgaria remain the two countries in the EU with the highest share of agriculture in their national GDP accounts. Specifically for 2011, in rural regions the primary sector in the two countries still represented 12.3 % of total GVA (gross value added) for Bulgaria and 13.4 % for Romania, whereas the average share of agriculture in the GVA of rural regions in EU28 is 4.6%.

I hope that during the two-day conference we would be able to discuss in detail:

- the new challenges and existing approaches in assessing, investigating and preventing fraud and corruption on national and EU level, with a focus on funding for agriculture;
- the current state of play and the areas for improvement related to the institutional cooperation in detection, investigation and prosecution of crimes against EU's financial interests in the agricultural sector;
- the new methods and tools to tackle fraud and corruption in EU funding, including in the agricultural sector – technological innovations, big data analysis, blockchain, data mining, etc.

I would finally and specifically like to thank OLAF for their support of today's event. I also hope that we would manage to formulate concrete proposals and policy recommendations concerning these issues that could be used by the EU, as well as by national governments.