



Arachne

Risk Scoring Tool

HU-Budapest-Interreg Arachne & Irregularities
6th November 2018

European Commission – DG EMPL



Article 125 (4)(c) of the Commission Regulation (EU) No 1303/2013

*Managing authorities have to "put in place **effective and proportionate anti-fraud measures** taking into account the risks identified"*

The European Commission wants to provide the managing authorities with a tool which can help them to comply to this article 125.4(c)



effective and proportionate anti-fraud measures

- **I use Arachne when I need it**
- **I use arachne according to my methodology**
- **I use the functionalities not available in my own system**
- **arachne does not replace my national system but is a complementary tool**
- **I can propose ideas to improve the tool**



effective and proportionate anti-fraud measures

- I use Arachne when I decide to..

I do not need to key in data : only consultation

All data is coming from the IT system of the program

Ex: eMS, UMIS, Synergie ..

IT support is provided to help in constructing the files

This is a « one shot job » after all is automated (IT related)

User just needs to consult risks computed on their projects



effective and proportionate anti-fraud measures

- I use Arachne when I need it – From previous experience :

Check if the lead partner or other partner are inexperienced partners .. Newly created company involved into projects

- partners with large budget

check with arachne the allocation of funds to companies
Check the list of projects in which a company is involved



effective and proportionate anti-fraud measures

- I use Arachne to check trans national companies :

Check hierarchy view of a company to see its involvement in other EU countries or non EU countries

Worldwide checks can be done with arachne for companies and person registered as owners of the companies worldwide



What is Arachne ?

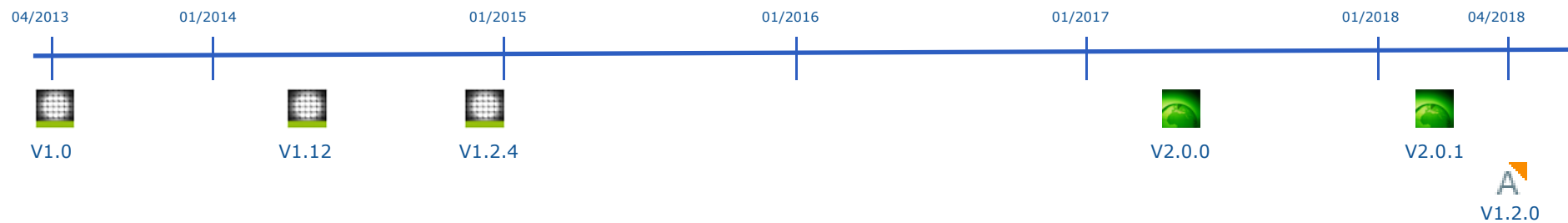
- ARACHNE is an integrated IT tool for **data mining** and **data enrichment**.
- **Goal:** provide the Managing Authorities with an **operational tool** to **identify**:
 1. their most risky projects/contracts
 2. potential risks linked to all their projects and contracts
 3. Irregularities on the future and current projects
- **Objective:** support managing authorities in their administrative controls and management checks in the area of Structural Funds.
- **Benefits:** ARACHNE can increase the efficiency of projects selection, management verifications and strengthen irregularities/fraud identification, prevention and detection.



Arachne evolution



Arachne major milestones



- Users: +/- 4.300
- Operational Programmes: 171 OPs (2014-2020)
228 Billion €
 - Projects: 281.451
 - Beneficiaries: 88.465
 - Contracts: 193.843
 - Expenses : 2.590.651
- Available in 23 languages

Status in Member States

state: 10/2018

21 are involved into Arachne:

20 using Arachne

IT,PT,CZ,RO,HR,BE,AT,LV,
LT,LU,BG,HU,ES,FR,SK,EE,
UK,MT,NL,SI (*)

1 is creating/finalising their files

IE (*)

* at least 1 operational programme

2 In 'reflexion' phase

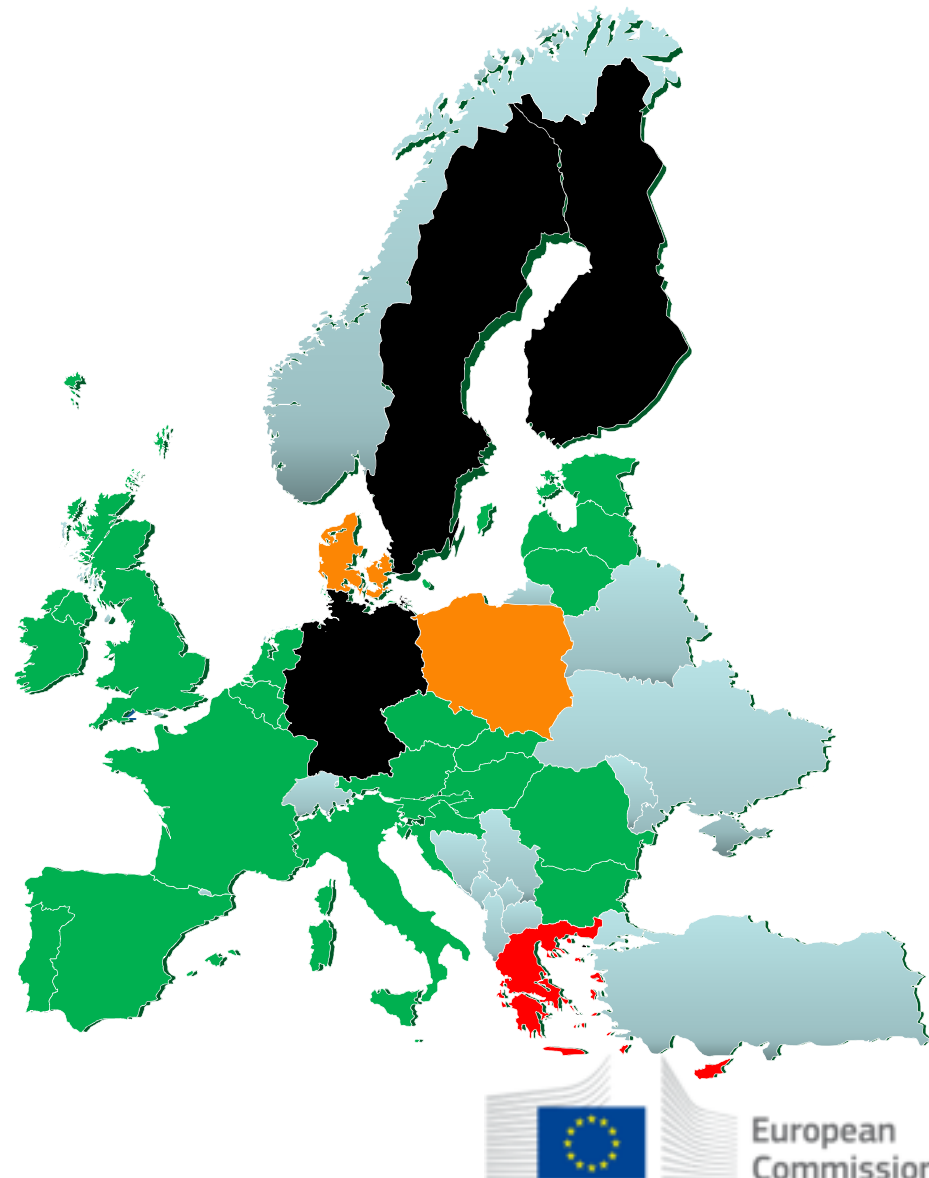
DK,PL

2 No feedback

GR,CY

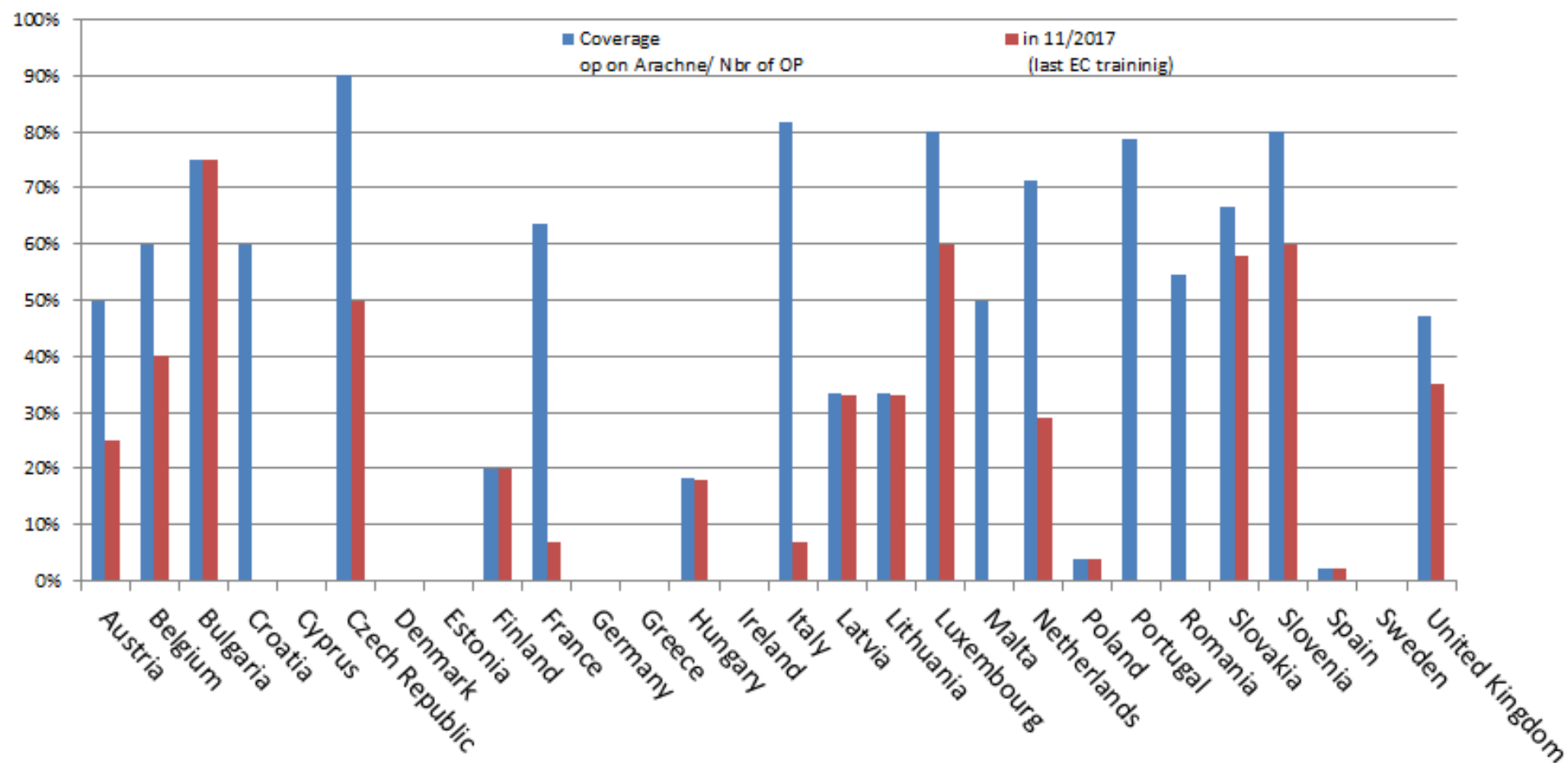
3 Not using Arachne

DE,SE,FI



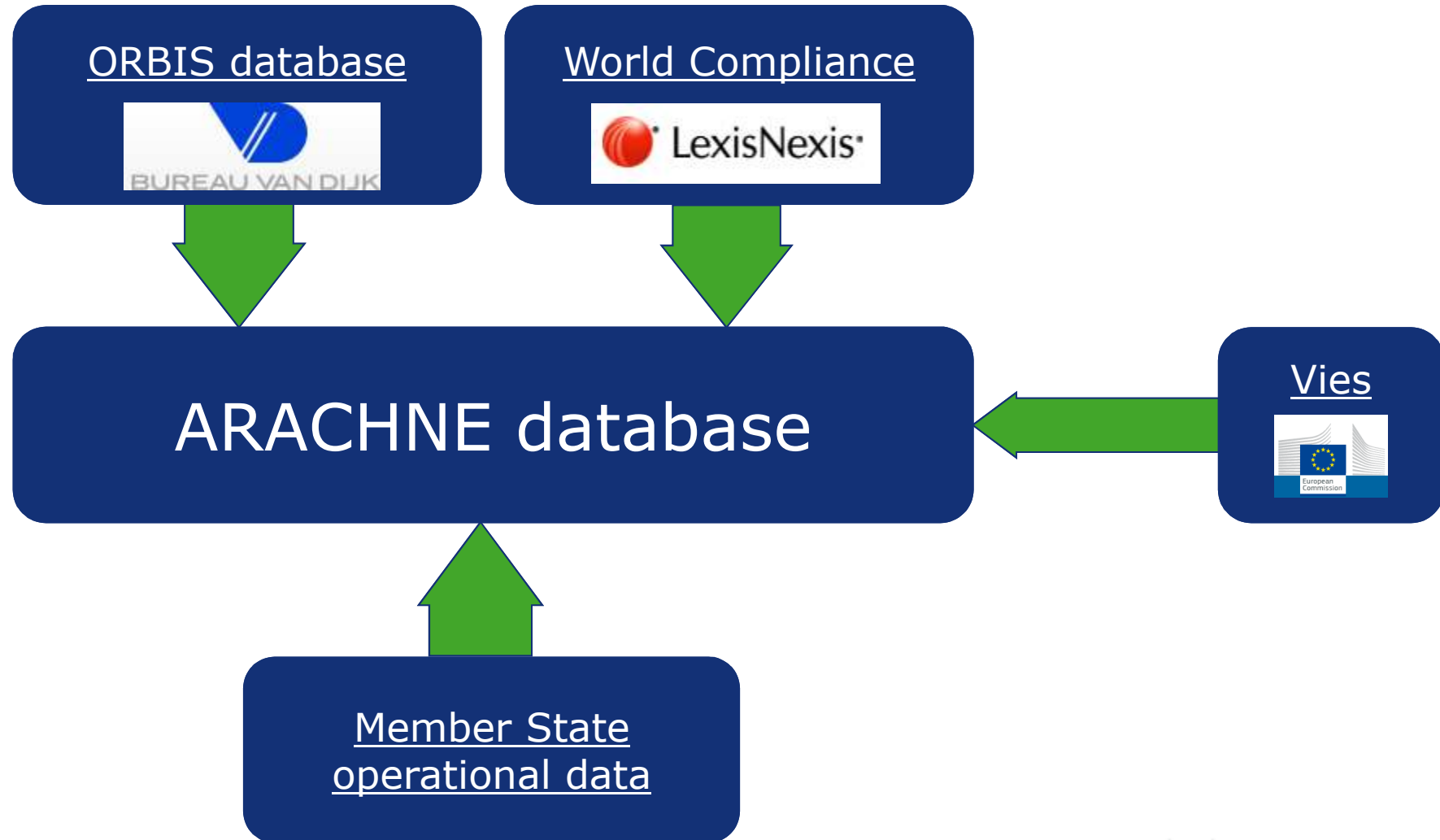
Available data evolution

period 2014-2020
state: 10/2018





Arachne – data sources





Arachne – Internal operational data

Project data

- **Project ID**
- **Project description**
- **Status**
- **Beneficiary**
- Start date / end date
- EC Financial Assistance
- **Total project cost**
- **Type of project**
- Project partners
- Project details
- Related people

Contract data

- Contract ID
- Contract description
- Date signature
- Initial end date / Final end date
- Contractor / Subcontractors
- Amount
- Nbr Addenda / Amount of addenda
- Key experts
- Procurement information
 - Type
 - Tenders : valid / excluded / Total
 - Publication date

Expenses / invoices

- Expense ID
- Expense Type
- Description
- Amount
- Contractor
- Invoice date
- Payment date



Arachne – Orbis database



- Orbis has information on :
 - Companies : +/- 290 million companies worldwide (active and inactive)
 - Ownership information (shareholders, subsidiaries, participation rate, ...)
 - Financial data of the company (turnover, cash flow, solvency ratio, ...)
 - Address information
 - Related people (directors, senior management, contact people, ...)
 - Indicators like credibility and bankruptcy
 - Persons : +/- 146 million persons
 - First name, last name, Age
 - Number of affinities, number of companies and role in company
- The data is collected from publicly available information such as official annual reports or balance sheets submitted to regulatory bodies
- The level of details available in the database varies by country and company size
- All data available in Arachne



- World Compliance collects, aggregates and centralizes :
 - **PEP lists** (politically exposed person)
 - **Sanctions lists** (OFAC lists (Office of Foreign Assets Control), World Bank Debarred Parties List, CBI List (The Central Bureau of Investigation), ...)
 - **Enforcement list** (EU Terrorism List, FBI Most Wanted, Interpol Most Wanted, Narcotic & human traffickers, Money launderers, fraudsters and other criminals, ...)
 - **Adverse media list** (company or person that have been linked to illicit activities by news sources)
- The data is received from regulatory and governmental authorities (except for adverse media list)
- Information is only accessible through the Arachne alert details (It won't be possible for a user to explicitly retrieve these information for a given company/person)



Arachne – Vies database

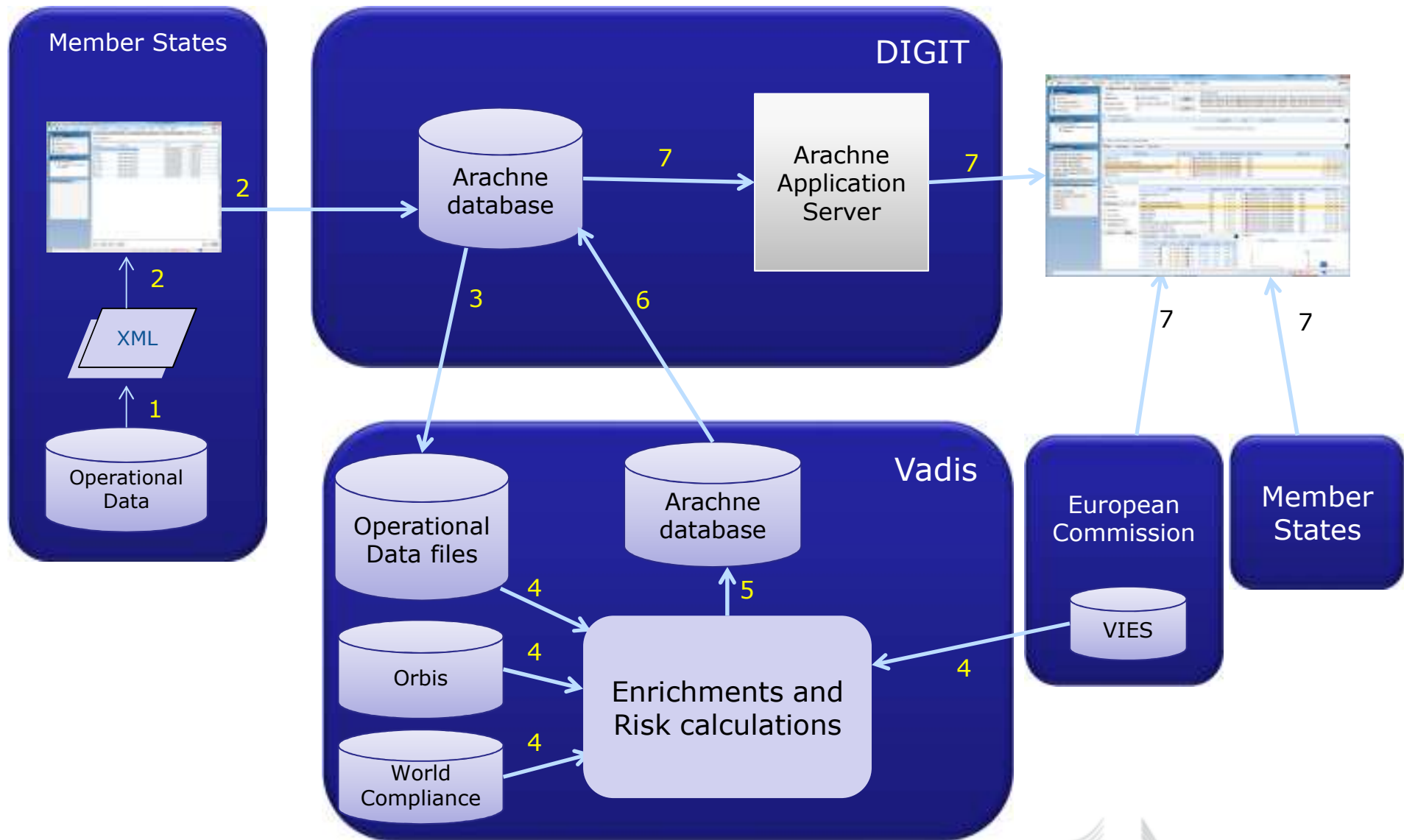
- Validating VAT-identification numbers of economic operators registered in the European Union for cross border transactions on goods or services

A screenshot of the VIES (VAT Information Exchange System) website. The page is titled 'VIES VAT number validation' and is part of the European Commission's 'Taxation and Customs Union' section. It includes a sidebar with links to VAT Validation, Technical Information, Self Monitoring, FAQ, Help, and a disclaimer. The main content area contains instructions on how to verify a VAT number and two sets of input fields: one for a general 'Member State' and 'VAT Number', and another for a 'Requester Member State' and 'VAT number'. A 'Verify' button is located below the second set of fields. The footer indicates 'Vies On-The-Web v5.4.0 | Top'.

http://ec.europa.eu/taxation_customs/vies/



Arachne – data flow





Arachne – Risk categories



7 Risk categories

Procurement	Contract Mgt	Eligibility	Performance	Concentration	Reasonability	Reputation & Fraud
6 risks	11 risks	9 risks	18 risks	13 risks	15 risks	30 risks

Some examples

<ul style="list-style-type: none"> • Lead time between publication of tender and contract signature • Nbr of valid tenders vs received tenders • Financial correction 	<ul style="list-style-type: none"> • Contractors with invalid VAT Nbr • Contract amount versus turnover of the contractor • Contract addenda cost vs contracted amount 	<ul style="list-style-type: none"> • Payments outside eligibility period • Duplicate amounts within expenses • Expenses higher than project cost 	<ul style="list-style-type: none"> • Nbr of people trained vs people to be trained • Project cost vs km road constructed • Water waste cost vs population to benefit 	<ul style="list-style-type: none"> • Beneficiaries involved in multiple projects/OP's • Contractors involved in multiple projects/OP's • Subcontractors involved of multiple projects of the same beneficiary 	<ul style="list-style-type: none"> • EC Fin. Assistance vs project cost • Administration cost vs project cost • Seminars-publishing costs vs project cost 	<ul style="list-style-type: none"> • Propensity of Bankruptcy • Link between beneficiary and (sub)contractors • Involvement in Saction and enforcement lists • Involvement in sensitive regions • Change of company name / address/ activity / directors
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Arachne application - screenshots





Welcome window

Projects

Projects

Member state = (Fake country)

	Name (generic)	Project ID	Case status	Overall score	Preparation Overall Score	Contract Management Overall Score	Eligibility Overall Score	Performance Overall Score	Cooperation Overall Score	Resilience Overall Score	Financial Overall Score	Project type	Member state	Managing Authority	Operational programme	Project Status	Project Cost
*	FAKE-Project-102/08	FDVC-01.03.01-01-002/08	-	32	42	48	-	-	28	0	48	Energy eff. Urban	(Fake country)	Ministerie 2	9999X4999X0001	Closed	1.522.593,81
	FAKE-Project-024/09	FDVC-01.03.02-00-024/09	-	21	-	-	24	20	25	40	21	ESF	(Fake country)	Ministerie 3	9999X4999X0001	Closed	977.284,50
	FAKE-Project-044/08	FDVC-01.03.01-00-044/08	-	29	26	45	21	24	24	12	48	ESF	(Fake country)	Ministerie 2	9999X4999X0001	Closed	256.953,84
	FAKE-Project-supervision1	FDVC-016	-	29	15	30	-	-	20	22	44	Solid waste	(Fake country)	Ministerie 10	9999X4999X0001	Closed	50,00
	FAKE-Project-060/08	FDVC-01.03.01-00-060/08	-	27	41	24	-	-	29	0	35	-	(Fake country)	Ministerie 2	9999X4999X0001	Closed	952.523,46
	FAKE-Project-003/08	FDVC-01.01.00-00-003/08	-	24	-	-	14	20	27	0	27	Energy eff. Urban	(Fake country)	Ministerie 1	9999X4999X0002	Closed	35.900.042,00
	FAKE-Project-023/08	FDVC-01.03.01-00-023/08	-	24	56	26	26	0	25	0	44	ESF	(Fake country)	Ministerie 2	9999X4999X0001	Closed	445.525,73
	FAKE-Project-045/09	FDVC-01.02.00-00-045/09	-	24	41	28	0	20	20	10	35	Rail	(Fake country)	Ministerie 2	9999X4999X0001	Closed	50.694.270,00
	FAKE-Project-SME4	FDVC-008	-	24	-	-	-	22	4	24	22	SME	(Fake country)	Ministerie 10	9999X4999X0001	Closed	12.245,00
	FAKE-Project-002/08	FDVC-01.03.01-00-002/08	-	22	42	50	16	0	20	0	46	ESF	(Fake country)	Ministerie 2	9999X4999X0001	Closed	1.921.993,61
	FAKE-Project-258/10	FDVC-01.03.01-00-258/10	Assigned	22	24	14	-	20	26	0	29	Energy eff. Urban	(Fake country)	Ministerie 3	9999X4999X0001	Open	1.259.724,00
	FAKE-Project-EstProx	FDVC-017	-	22	15	20	-	-	12	22	24	Solid waste	(Fake country)	Ministerie 11	9999X4999X0001	Closed	50,00
	FAKE-Project-012/08	FDVC-01.01.00-00-012/08	-	24	-	-	-	-	24	13	22	-	(Fake country)	Ministerie 1	9999X4999X0001	Open	187.000.000,00
	FAKE-Project-007/08	FDVC-01.01.00-00-007/08	-	22	-	-	-	-	16	48	21	-	(Fake country)	Ministerie 1	9999X4999X0001	Closed	4.140.421,02
	FAKE-Project-027/08	FDVC-01.03.01-00-027/08	-	23	-	-	-	-	24	0	44	ESF	(Fake country)	Ministerie 2	9999X4999X0001	Closed	242.241,54
	FAKE-Project-188/09	FDVC-01.03.01-00-188/09	-	23	-	-	-	-	35	0	36	-	(Fake country)	Ministerie 3	9999X4999X0002	Closed	899.682,00
	FAKE-Project-197/09	FDVC-01.03.01-00-197/09	-	23	59	23	-	10	29	0	32	Water waste / supply	(Fake country)	Ministerie 3	9999X4999X0001	Closed	86.240,00
	FAKE-Project-407/08	FDVC-02.03.04-00-007/08	-	23	-	-	-	-	10	40	21	ESF	(Fake country)	Ministerie 58	9999X4999X0001	Closed	4.000.140.621,02
	FAKE-Project-020/08	FDVC-01.02.00-00-020/08	-	22	39	16	9	20	21	0	36	Rail	(Fake country)	Ministerie 2	9999X4999X0001	Closed	64.588.890,00
	FAKE-Project-046/08	FDVC-01.03.01-00-046/08	-	22	26	40	16	0	28	6	39	Rail	(Fake country)	Ministerie 2	9999X4999X0001	Closed	886.132,00
	FAKE-Project-003/08	FDVC-01.01.00-00-003/08	-	21	-	-	-	-	25	12	26	Energy eff. Urban	(Fake country)	Ministerie 1	9999X4999X0001	Closed	35.900.042,00
	FAKE-Project-011/08	FDVC-01.01.00-00-011/08	-	21	25	12	21	29	25	6	37	ESF	(Fake country)	Ministerie 1	9999X4999X0001	Closed	1.110.004,00
	FAKE-Project-026/09	FDVC-01.03.02-00-026/09	-	21	18	28	-	15	22	0	48	Road	(Fake country)	Ministerie 3	9999X4999X0001	Open	1.888.447,88
	FAKE-Project-003/09	FDVC-01.02.00-00-003/09	-	20	25	16	18	-	36	0	28	ESF	(Fake country)	Ministerie 2	9999X4999X0001	Open	5.677.577,00
	FAKE-Project-226/10	FDVC-01.03.01-00-226/10	-	20	-	-	-	-	25	0	37	-	(Fake country)	Ministerie 3	9999X4999X0001	Open	1.517.147,00
	FAKE-Project-232/10	FDVC-01.03.01-00-232/10	-	20	-	-	-	-	25	0	36	-	(Fake country)	Ministerie 3	9999X4999X0001	Open	1.190.262,00
	FAKE-Project-254/10	FDVC-01.03.01-00-254/10	-	20	-	-	-	-	25	0	37	ESF	(Fake country)	Ministerie 3	9999X4999X0001	Open	2.262.644,00
	FAKE-Project-SME1	FDVC-008	-	20	-	21	-	23	4	29	49	SME	(Fake country)	Ministerie 7	9999X4999X0001	Closed	786.784,00
	FAKE-Project-259/10	FDVC-01.03.01-00-259/10	-	19	-	-	-	-	25	0	34	ESF	(Fake country)	Ministerie 3	9999X4999X0001	Open	254.593,00
	FAKE-Project-008/10	FDVC-01.01.00-00-008/10	-	18	25	7	16	23	5	18	38	Water waste / supply	(Fake country)	Ministerie 1	9999X4999X0001	Open	2.648.991,00
	FAKE-Project-019/08	FDVC-01.01.00-00-019/08	-	18	26	16	0	25	18	1	48	Road	(Fake country)	Ministerie 1	9999X4999X0001	Closed	7.897.960,00
	FAKE-Project-150/08	FDVC-01.03.01-00-150/08	-	18	-	-	-	0	35	0	37	Road	(Fake country)	Ministerie 3	9999X4999X0002	Closed	952.303,00
	FAKE-Project-370/11	FDVC-01.03.01-00-370/11	-	18	-	-	18	7	25	14	37	Solid waste	(Fake country)	Ministerie 3	9999X4999X0001	Open	794.470,00
	FAKE-Project-link-subContractor	FDVC-000	-	18	-	-	-	-	18	28	21	Road	(Fake country)	Ministerie 3	9999X4999X0001	Closed	4.563,00
	FAKE-Project-sanction03	FDVC-004	-	18	-	-	-	-	6	15	35	-	(Fake country)	Ministerie 6	9999X4999X0001	Closed	45.684,00

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Arachne - screenshots

Projects dashboard

Arachne - Projects dashboard screenshot showing a table of projects and their scores across various criteria.

Navigation: Introduction | Projects

Filters: Management Overall Score >= 9 and Eligibility Overall Score >= 5 and Concentration Overall Score >= 15 and Reputational Fraud Alerts Overall Score >= 19

Project Name	Overall score	Management Overall Score	Eligibility Overall Score	Concentration Overall Score	Reputational Fraud Alerts Overall Score	...
Stožič (MedPark, Košice - Fázis II)	39	50	37	10	...	
re inovatívne aplikácie a podporou analýz...	38	50	38	10	...	
g ekonomiky	36	50	25	19	...	
to pre podporu implementácie IRDP	35	16	23	42	...	
e	35	50	43	29	...	
i kompetenčné centrá	34	33	33	16	...	
na implementáciu OP K&P I	34	50	30	10	...	
CMAS TECHNOLOGII KOMPETENČNÉ CENTRUM	33	16	33	21	...	
TA UN ENERGETIKAS KOMPETENČNÉ CENTRUM	33	33	25	20	...	
KOMPETENČNÉ CENTRUM	33	21	33	27	...	
ni mladšieho do 29 r. da pripraví aktívno p...	33	33	33	23	...	
rekonštrukcia centra - Ruso	32	33	38	10	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	31	16	38	20	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	31	50	21	20	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	31	33	23	17	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	31	50	36	11	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	41	14	16	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	33	21	10	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	33	14	10	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	41	14	10	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	39	13	11	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	50	36	10	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	50	14	8	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	14	36	20	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	16	33	20	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	30	33	33	8	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	29	33	28	20	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	29	33	14	31	...	
rekonštrukcia na PCOV Terop, rekonstrukc...	29	36	33	10	...	

100

Version 3.0.1.2012 - Other version: 2010/02/01



Risk indicator details





Arachne - screenshots

Risk indicator details

to multiple projects	Contracted amount vs annual turnover of the contractor	External service provider	Eligibility Overall Score	Performance Overall Score	Concentration Overall Score	Reasonability Overall Score	Reputational & Fraud Alerts Overall Score	Beneficiaries with invalid VAT number	High or deteriorating propensity to bankruptcy	High or deteriorating rating compared to sector benchmark	High financial ratings of associated companies	Non filing of annual accounts	Difference between project cost and annual turnover	Project cost vs number of employees	Links between beneficiaries/proje ct partners	Links between beneficiaries/proje ct partners and ct partners/Cons...	Links between beneficiaries/proje ct partners and subcontractors	Links between contractors/consor tium members	Links between contractors/consor tium members and subcontractors	Directors/owners with high number of mandates	Registration of multiple companies on same address	Involvement of directors/owners with bankruptcies	Involvement of directors/owners in sensitive
-	10	-	10	-	40	0	50	-	20	5	5	10	-	10	-	0	-	0	-	5	5	0	0
-	10	-	27	-	40	13	50	-	20	5	5	10	-	9	0	10	-	10	-	5	5	7	1

Contracted amount vs annual turnover of the contractor

Alert	Value
Nb of contracts linked to the project	82
Nb of contracts with amount	82
Nb of contracts with contractor turnover	74
Nb of contracts raising the alert	10

Start date	End date	Contract duration (months)	Contracted amount	Contracted amount normalized	Turnover of the contractor	Orbis Turnover year	Contracted amounts vs turnover	Score
15/12/2014	30/06/2014	-5.50	230,410.00	230,409.00	326,000.00	2014	70.68%	10
06/01/2017	26/05/2017	4.70	136,107.00	136,107.00	137,000.00	2016	99.35%	10
23/12/2016	14/04/2017	3.30	143,496.00	143,496.00	137,000.00	2016	104.74%	10
30/04/2015	24/04/2016	11.20	1,632,510.00	1,632,510.00	1,256,000.00	2015	129.98%	10
23/12/2016	14/04/2017	3.30	206,572.00	206,572.00	137,000.00	2016	150.78%	10
06/01/2017	31/05/2017	4.80	310,169.00	310,169.00	137,000.00	2016	226.4%	10
25/10/2016	31/05/2017	7.20	850,632.00	850,631.00	290,000.00	2016	293.32%	10
23/03/2017	30/05/2017	2.20	53,945.20	53,945.00	14,000.00	2016	385.32%	10
23/12/2016	14/04/2017	3.30	73,886.80	73,886.00	137,000.00	2016	53.93%	5
15/12/2014	31/05/2017	29.50	195,401.00	79,404.00	326,000.00	2014	24.36%	1

References and links

Contracts raising the alert

Indicator definition

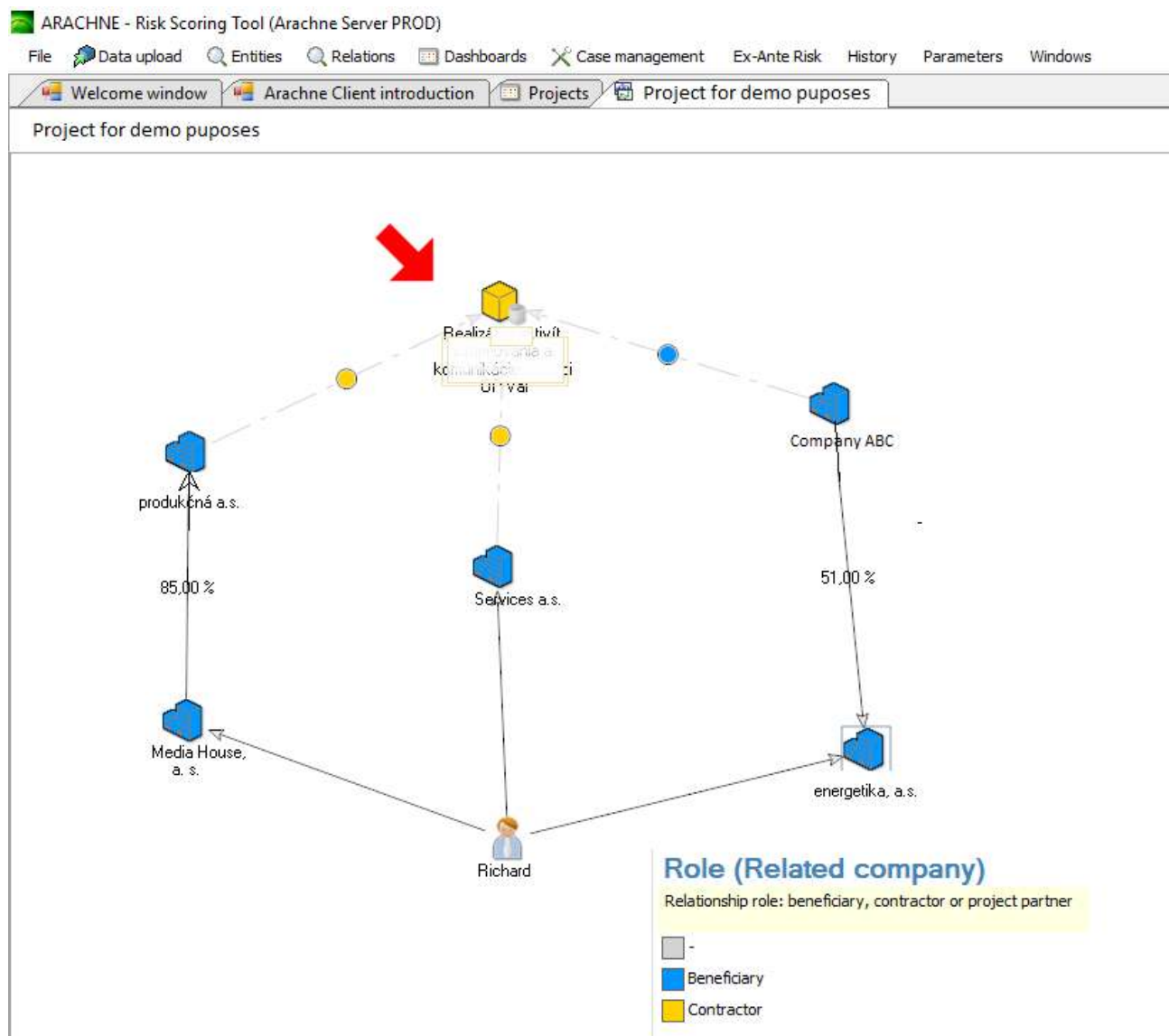
Computed score: 10

Contracted amount vs annual turnover contractor



Arachne - screenshots

Risk indicator details



Link between beneficiary and contractors



Arachne - screenshots

Risk indicator details

Involvement in sanction lists	Involvement in enforcement lists	Involvement in adverse media	Newly created company	New owners/directors	High rotation of directors	Activity changes	Address changes	Name changes	Beneficiary Name	Project type	Member State		
5	0	5	5	20	7	3	10	5	15	Univerzita Pavla Jozefa Šafárika v Bratislave	SLOVAKIA	Riadiaci c	
0	0	5	5	20	7	10	3	3	10	Technická univerzita v Bratislave	SLOVAKIA	Riadiaci c	
5	0	10	5	20	10	7	7	5	15	Slovenská inovačná a technologická agentúra	SLOVAKIA	Riadiaci c	
0	4	5	5	20	10	7	10	5	15	SIA "Mestská spoločnosť Bratislava"	Other	LATVIA	Ministry o
0	0	5	0	5	7	5	0	0	0	Ministerstvo spravodlivosti SR	Other	SLOVAKIA	Riadiaci c
0	0	5	5	20	10	10	10	5	15	Latvijas Investīciju un attīstības aģentūra	SME	LATVIA	Ministry o
0	4	10	5	20	10	7	10	5	15	Nodarbinātības valsts aģentūra	ESF	LATVIA	Ministry o
0	0	5	5	20	7	7	7	5	10	SIA "Tehniskā un ekonomiskā informācija"	Other	LATVIA	Ministry o

Involvement in enforcement lists

Alert	Value
Nb of matched companies	3/534
Nb of matched persons	11/1422
Nb of matched beneficiary	0/1
Nb of matched contractors	3/533
Nb of matched beneficiary managers	0/1
Nb of matched contractors managers	11/1423

Matched entity type	Company name	Company Role	Validation p...	Person Name	Woco entity name	Match score	Match type
Company	Sabiedrība ar ierobežotu atbildību	Contractor	-	-	SIA "Latvijas Elektrotīrīšanas un apkopes dienests"	1.00	Exact match on name and n
Company	Sabiedrība ar ierobežotu atbildību	Contractor	-	-	SIA "Latvijas Elektrotīrīšanas un apkopes dienests"	1.00	Exact match on name and n
Management member	Akcionārs sabiedrībā ar ierobežotu atbildību	Contractor	[2014-2017]	Mr. Toomas Toom	Toomas Toom	1.00	Exact match on name and n
Management member	Akcionārs sabiedrībā ar ierobežotu atbildību	Contractor	[2013-2017]	Mr. Toomas Toom	Toomas Toom	1.00	Exact match on name and n
Company	Akcionārs sabiedrībā ar ierobežotu atbildību	Contractor	-	-	SIA "Latvijas Elektrotīrīšanas un apkopes dienests"	0.70	Good match on name and n
Management member	Sabiedrība ar ierobežotu atbildību	Contractor	[2012-2015]	Mrs. Svetlana Borovikova	Borovikova Svetlana	0.50	Exact match on name
Management member	Sabiedrība ar ierobežotu atbildību	Contractor	[2011-2015]	Mrs. Svetlana Borovikova	Borovikova Svetlana	0.50	Exact match on name
Management member	Sabiedrība ar ierobežotu atbildību	Contractor	[2012-2018]	Mr. Ivars Felliniers	Felliniers Ivars	0.50	Exact match on name
Management member	Sabiedrība ar ierobežotu atbildību	Contractor	[2012-2016]	Janis Leimanis	Leimanis Janis	0.50	Exact match on name
Management member	Sabiedrība ar ierobežotu atbildību	Contractor	[2014-2018]	Janis Leimanis	Leimanis Janis	0.50	Exact match on name
Management member	Sabiedrība ar ierobežotu atbildību	Contractor	[2012-2016]	Mr. Aleksandrs Petrovs	Petrovs Aleksandrs	0.50	Exact match on name

References and links

- Companies matched with WoCo
- Matched manager
 - Woco - SIA "Latvijas Elektrotīrīšanas un apkopes dienests" #5833858
 - Woco - SIA "Latvijas Elektrotīrīšanas un apkopes dienests" #8419582
 - Woco - Tiesībsargāšanas dienests #5833959
 - Woco - SIA "Latvijas Elektrotīrīšanas un apkopes dienests" #5833959

Computed score: 10

Computed score: 10



Risk indicator details

Involvement in enforcement lists

Name	To: [redacted]
Source	EE-Court
Category	Enforcement
Sub-category	SecuritiesFraud
Position(s)	Fined with EUR 500,000 for market manipulation - October 29, 2012
Date	2017-01-13

Remarks

According to postimees.ee, May 30, 2013: On May 17, 2013 the Supreme Court of Estonia upheld the decision of Tallinn Circuit Court, which found [redacted] guilty of market manipulation.

 According to Estonia-Court October 29, 2012: On October 29, 2012 major shareholder of a real-estate company [redacted] was found guilty of market manipulation in Tallinn Circuit Court and fined with EUR 500,000. In 2009, [redacted] and former bank's stockbroker were accused of manipulating the shares of a real-estate company with the aim of lowering the market price of the shares and afterwards, acquiring the shares for less than market value. For [redacted] the ultimate goal of the manipulation was to take over the company. According to the charges, [redacted], who acted as an authorized representative of his wife, ordered [redacted]'s stockbroker during July 14-21, 2008 to sell real-estate company's shares in his wife's nominee account - large amounts at the time and with increasingly lower price. [redacted] sold approximately 500,000 shares, resulting in an artificial price limit and a negative pressure on the share price. As a result, stock traders were led astray about the real market value of real-estate company's shares and the share price

Media links

<http://arileht.delfi.ee/...>
<http://dea.digar.ee/c...>
<http://f.pmo.ee/f/20...>
<http://majandus24.pc...>
<http://news.postimees...>
<http://uudised.err.ee...>
<http://www.aripeav.e...>

World Compliance entry #1924178			
Name	D [redacted] ul		
Source	US-U.S. Securities and Exchange Commission		
Category	Enforcement	Sub-category	Fraud
Position(s)	Agreed to pay USD 4,000,000 in penalty to settle fraud charges - July 22, 2010.		
Date	2018-05-02		
Remarks	<p>According to the U.S. Securities and Exchange Commission; July 22, 2010: On July 22, 2010, the Commission filed a complaint against [redacted] with failing to disclose material information to investors and using fraudulent accounting to make it falsely appear that the company was consistently meeting Wall Street earnings targets and reducing its operating expenses. The SEC also charged [redacted] man and CEO [redacted] and others for their roles in the disclosure violations. [redacted] The SEC's complaint alleges that [redacted] and other defendants misrepresented the basis for the company's ability to consistently meet or exceed consensus analyst EPS estimates from fiscal year 2002 through fiscal year 2006. Without the Intel payments, [redacted] would have missed the EPS consensus in every quarter during this period. The complaint failed to disclose material information to investors and used fraudulent accounting to make it falsely appear that [redacted] was consistently meeting Wall Street earnings targets and reducing its operating expenses. [redacted] consented to settle the SEC's disclosure charges, without admitting or denying the SEC's allegations, to the entry of an order that permanently restrains and enjoins from</p>		

World Compliance entry #5904900			
Name	Hadi Hristov Karamanov		
Source	BG-PRB		
Category	Enforcement	Sub-category	OrganizedCrime
Position(s)	Indicted for organized crime, bank fraud and embezzlement - July 20, 2017		
Date	2017-07-22		
Remarks	<p>According to the Prosecutor of the Republic of Bulgaria; July 20, 2017: On July 20, 2017 the Specialized Prosecutor's Office submitted an indictment to the Specialized Criminal Court against Hadi Hristov Karamanov for organized crime, bank fraud and embezzlement for the so called Corporate Commercial Bank (KTB) case.</p> <p>According to the Prosecutor of the Republic of Bulgaria; February 22, 2017: The Specialized Prosecutor's Office finished the investigation in the so called Corporate Commercial Bank (KTB) case and finalized the charges against 18 individuals including Hadi Hristov Karamanov is charged with organized crime, bank fraud and embezzlement.</p> <p>According to the Prosecutor of the Republic of Bulgaria; April 08, 2015: The Sofia City Prosecutor's Office brought charges of mismanagement against Hadi Hristov Karamanov in the Corporate Commercial Bank (KTB) affair.</p> <p>Hadi Hristov Karamanov, as auditor from KPMG Bulgaria in charge of auditing KTB, is accused, during 2009 - 2014, of deliberately aiding the bank's executive directors in not taking enough care for managing and safeguarding KTB's assets, which resulted in a considerable damage for the bank.</p>		





Arachne - screenshots

Welcome window

Welcome window

Search

Member State: SLOVAKIA

Managing Authority: (AIC)

Operational programme: 2014SK05SFOP001

Apply

Reset

Current open cases

Most risky (related to open projects)

Project Name	Overall score	Member State	Operational programme	Project Status	Project Cost
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	30	SLOVAKIA	2014SK05SFOP001	Open	8.140.056,21
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	29	SLOVAKIA	2014SK05SFOP001	Open	28.647.257,37
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	27	SLOVAKIA	2014SK05SFOP001	Open	2.060.431,30
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	24	SLOVAKIA	2014SK05SFOP001	Open	2.328.202,55
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	23	SLOVAKIA	2014SK05SFOP001	Open	11.254.959,84

Project risk score evolution

Filtering

☒ Increases

☒ Decreases

Reputational & Fraud Alerts

☐ Last week

☐ Last month

☐ Last data sourcing

☒ 01/07/2018

Reset

Apply

Project Name	Project risk	Score	Old score	Member State	Operational programme	Project Status	Project Cost
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	50	43	43	SLOVAKIA	2014SK05SFOP001	Open	2.060.431,30
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	12	6	6	SLOVAKIA	2014SK05SFOP001	Open	4.409.000,00
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	12	6	6	SLOVAKIA	2014SK05SFOP001	Open	4.124.384,81
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	15	10	10	SLOVAKIA	2014SK05SFOP001	Open	2.350.326,03
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	15	10	10	SLOVAKIA	2014SK05SFOP001	Open	388.564,04
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	15	10	10	SLOVAKIA	2014SK05SFOP001	Open	356.856,66
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	47	43	43	SLOVAKIA	2014SK05SFOP001	Open	11.254.959,84
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	20	16	16	SLOVAKIA	2014SK05SFOP001	Open	175.121,80
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	24	21	21	SLOVAKIA	2014SK05SFOP001	Open	399.962,41
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	21	18	18	SLOVAKIA	2014SK05SFOP001	Open	397.490,11
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	48	49	49	SLOVAKIA	2014SK05SFOP001	Open	2.328.202,55
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	19	21	21	SLOVAKIA	2014SK05SFOP001	Open	176.831,20
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	14	16	16	SLOVAKIA	2014SK05SFOP001	Open	284.833,49
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	13	15	15	SLOVAKIA	2014SK05SFOP001	Open	138.559,68
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	12	14	14	SLOVAKIA	2014SK05SFOP001	Open	168.279,12
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	5	7	7	SLOVAKIA	2014SK05SFOP001	Closed	1.363.891,40

Loaded projects (52) Closed projects (4) Cancelled projects (0)

Project Name	Project risk	Score	Old score	Member State	Operational programme	Project Status	Project Cost
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	50	43	43	SLOVAKIA	2014SK05SFOP001	Open	2.060.431,30
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	48	49	49	SLOVAKIA	2014SK05SFOP001	Open	2.328.202,55
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	47	46	46	SLOVAKIA	2014SK05SFOP001	Open	28.647.257,37
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	47	43	43	SLOVAKIA	2014SK05SFOP001	Open	11.254.959,84
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	47	46	46	SLOVAKIA	2014SK05SFOP001	Open	8.140.056,21
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	47	46	46	SLOVAKIA	2014SK05SFOP001	Closed	983.359,84
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	31	37	37	SLOVAKIA	2014SK05SFOP001	Open	460.000,00
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	26	25	25	SLOVAKIA	2014SK05SFOP001	Open	13.864,00
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	24	21	21	SLOVAKIA	2014SK05SFOP001	Open	399.962,41
Modernizácia systémov na poskytovanie služieb v oblasti zdravotníctva	19	21	21	SLOVAKIA	2014SK05SFOP001	Open	176.831,20

Statistics

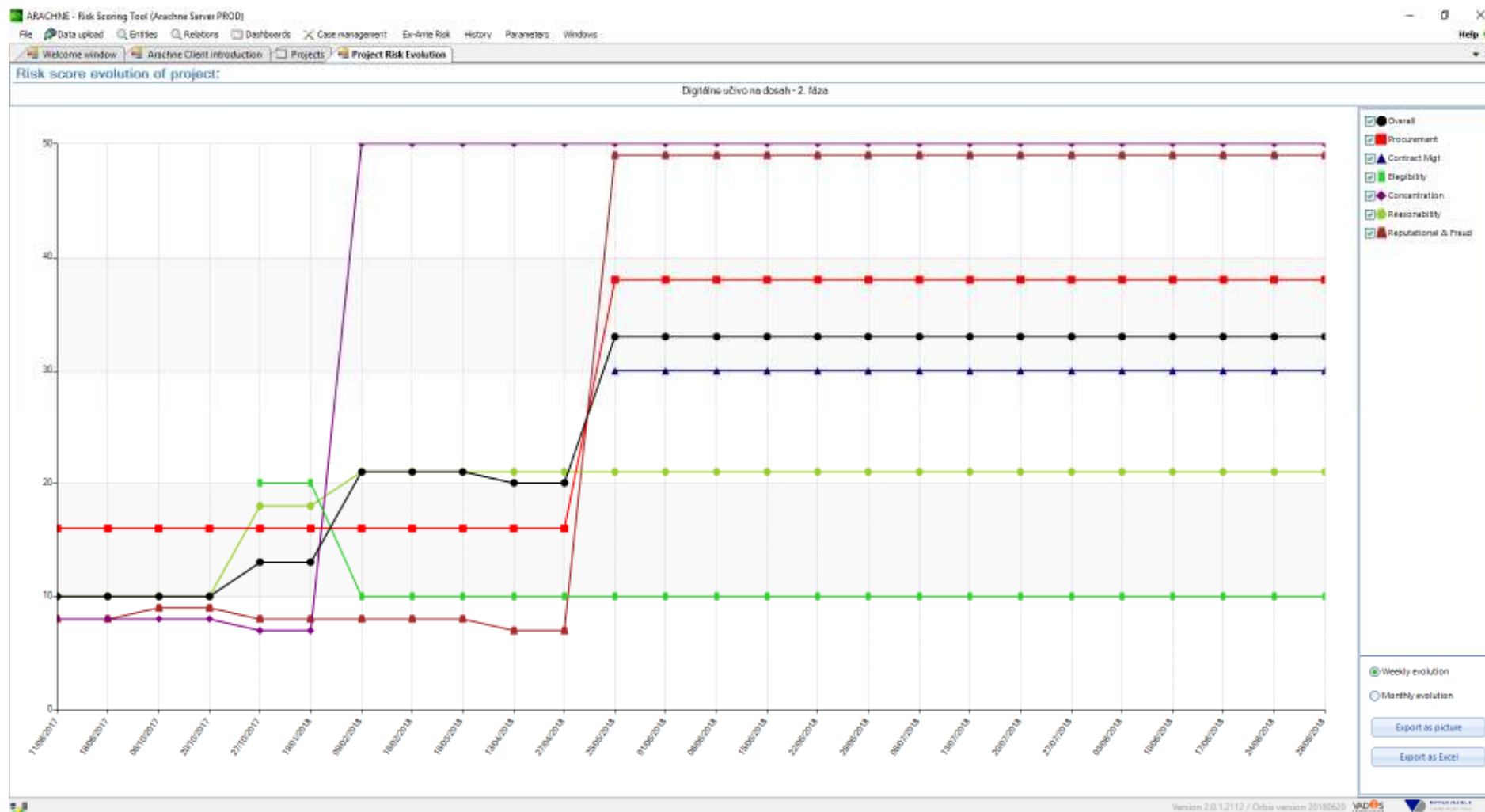
Cases Statistics

Project Statistics



Arachne - screenshots

Risk evolution screen





Arachne - screenshots

Risk historization screens

Historical risk indicators - Situation 27/04/2018				Historical risk indicators - Situation 25/05/2018			
Search				Search			
Operational Programme	2014	Type	Project	Operational Programme	2014	Type	Project
Project Name	Digit	Size	Project ID	Project Name	Digit	Size	Project ID
Contract name	NMA	PREP	Contract ID	Contract name	NMA	PREP	Contract ID
Name	Value	Description		Name	Value	Description	
Overall score	20	Overall score		Overall score	33	Overall score	
Procurement Overall Score	16	Procurement Overall Score		Procurement Overall Score	38	Procurement Overall Score	
Contract Management Overall Score	-	Contract Management Overall Score		Contract Management Overall Score	30	Contract Management Overall Score	
Eligibility Overall Score	10	Eligibility Overall Score		Eligibility Overall Score	10	Eligibility Overall Score	
Performance Overall Score	-	Performance Overall Score		Performance Overall Score	-	Performance Overall Score	
Concentration Overall Score	50	Concentration Overall Score		Concentration Overall Score	50	Concentration Overall Score	
Reasonability Overall Score	21	Reasonability Overall Score		Reasonability Overall Score	21	Reasonability Overall Score	
Reputational & Fraud Alerts Overall Score	7	Reputational & Fraud Alerts Overall Score		Reputational & Fraud Alerts Overall Score	49	Reputational & Fraud Alerts Overall Score	
Beneficiaries with invalid VAT number	-	Beneficiaries with invalid VAT number		Beneficiaries with invalid VAT number	-	Beneficiaries with invalid VAT number	
High or deteriorating propensity to bankruptcy	-	High or deteriorating propensity to bankruptcy		High or deteriorating propensity to bankruptcy	20	High or deteriorating propensity to bankruptcy	
High or deteriorating rating compared to sector benchmark	-	High or deteriorating rating compared to sector benchmark		High or deteriorating rating compared to sector benchmark	5	High or deteriorating rating compared to sector benchmark	
High financial ratings of associated companies	-	High financial ratings of associated companies		High financial ratings of associated companies	4	High financial ratings of associated companies	
Non filing of annual accounts	0	Non filing of annual accounts		Non filing of annual accounts	10	Non filing of annual accounts	
Difference between project cost and annual turnover	-	Difference between project cost and annual turnover		Difference between project cost and annual turnover	-	Difference between project cost and annual turnover	
Project cost vs number of employees	7	Project cost vs number of employees		Project cost vs number of employees	7	Project cost vs number of employees	
Links between beneficiaries/project partners	0	Links between beneficiaries/project partners		Links between beneficiaries/project partners	0	Links between beneficiaries/project partners	
Links between beneficiaries/project partners and contractors/Consortium members	-	Links between beneficiaries/project partners and contractors/Consortium members		Links between beneficiaries/project partners and contractors/Consortium members	0	Links between beneficiaries/project partners and contractors/Consortium members	
Links between beneficiaries/project partners and subcontractors	-	Links between beneficiaries/project partners and subcontractors		Links between beneficiaries/project partners and subcontractors	-	Links between beneficiaries/project partners and subcontractors	
Links between contractors/consortium members	-	Links between contractors/consortium members		Links between contractors/consortium members	3	Links between contractors/consortium members	
Links between contractors/consortium members and subcontractors	-	Links between contractors/consortium members and subcontractors		Links between contractors/consortium members and subcontractors	-	Links between contractors/consortium members and subcontractors	
Directors/owners with high number of mandates	-	Directors/owners with high number of mandates		Directors/owners with high number of mandates	5	Directors/owners with high number of mandates	
Registration of multiple companies on same address	3	Registration of multiple companies on same address		Registration of multiple companies on same address	5	Registration of multiple companies on same address	
Involvement of directors/owners with bankruptcies	-	Involvement of directors/owners with bankruptcies		Involvement of directors/owners with bankruptcies	0	Involvement of directors/owners with bankruptcies	
Involvement of directors/owners in sensitive regions	-	Involvement of directors/owners in sensitive regions		Involvement of directors/owners in sensitive regions	3	Involvement of directors/owners in sensitive regions	
Incorporation in sensitive regions	0	Incorporation in sensitive regions		Incorporation in sensitive regions	0	Incorporation in sensitive regions	
Group involvement in sensitive regions	-	Group involvement in sensitive regions		Group involvement in sensitive regions	10	Group involvement in sensitive regions	
Inconsistent activities	0	Inconsistent activities		Inconsistent activities	10	Inconsistent activities	
Use of PO box address	0	Use of PO box address		Use of PO box address	0	Use of PO box address	



Arachne - screenshots

Search for entities

ARACHNE - Risk Scoring Tool (Arachne Server PROD)

File Data upload Entities Relations Dashboards Case management Ex-Ante Risk History Parameters Windows

Welcome window Archive Client introduction Projects Search for Companies

Search for Companies

Company name (Orbis) Contains full words: omega pharma VAT number (EC) (Select opcr) Company size Within Sort Field 1 Company name (Orbis) Sort Field 2 (none) Sort Field 3 (none) ASC/DESC

Country (Orbis) Within NACE Rev. 1.1 Begins with VPI Bankruptcy score (1-20) VPI P2B Sold (Top 20%) score (1-10) Company type (EC) Within Unique ID number (Select opcr) Only companies involved in projects Bankrupt company

Reset Search

Company	Unique identification number	Company VAT (EC)	ByD Size	Company city	Country	EC Flag	Related group	VPI Bankruptcy score (1-20)	Active company	Incorporation date	Last statement	Number of shareholders	Number of subsidiaries	Name
Perrigo Pharma S.A.	3406129710		SM - Small	Paris	FRANCE	No			Yes	2010-04-28	2016-12-31			Perrigo Pharma S.A.
Laboratoires Omega Pharma France	FR542044605		VL - Very Large	Châtillon	FRANCE	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY	7	Yes	1954-07-30	2016-12-31	2	4	Laboratoires Omega Pharma France
Laboratoires Omega Pharma France	FR54204460500107			Lagerbère	FRANCE	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY		Yes	1954-07-30		1	0	Laboratoires Omega Pharma France
Laboratoires Omega Pharma France	FR54204460500099			Le Breuil Sur Cote	FRANCE	No			Yes	1954-07-30				Laboratoires Omega Pharma France
Laboratoires Omega Pharma France	FR54204460500081			Plelo	FRANCE	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY		Yes	1954-07-30		1	0	Laboratoires Omega Pharma France
Laboratoires Omega Pharma France Division Applipharm	FR54204460500024			Marseille	FRANCE	No			No	1957-01-01				Laboratoires Omega Pharma France Division Applipharm
Laboratoires Omega Pharma France Sas	BE0810272573			Châtillon	BELGIUM	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY		Yes	2008-06-01		1	0	Laboratoires Omega Pharma France Sas
Laboratoires Omega Pharma Sa	FR393355763		SM - Small	Lille	FRANCE	No			Yes	1993-11-01	2000-12-31			Laboratoires Omega Pharma Sa
Omega Alpha Pharma Limited	GB11315498			London	UNITED KINGDOM	No			Yes	2018-04-18				Omega Alpha Pharma Limited
Omega Bio-Pharma (I.P.1) Limited	MU0001035539			Port Louis	MAURITIUS	No			Yes	2003-08-11				Omega Bio-Pharma (I.P.1) Limited
Omega Bio-Pharma (I.P.2) Limited	MU0000916006			Port Louis	MAURITIUS	No			Yes	2002-05-01				Omega Bio-Pharma (I.P.2) Limited
Omega Bio-Pharma (I.P.3) Limited	MU0000915963			Port Louis	MAURITIUS	No			Yes	2004-07-02				Omega Bio-Pharma (I.P.3) Limited
Omega Bio-Pharma International Limited	HK0006518288				HONG KONG	No			Yes	2003-10-06				Omega Bio-Pharma International Limited
Omega Healthcare Pharma Co Ltd	MU0000915861			Port Louis	MAURITIUS	No			Yes	2006-03-21				Omega Healthcare Pharma Co Ltd
Omega Impact Pharma	BJ0000070534			Cotonou	BENIN	No			Yes	2018-01-01				Omega Impact Pharma
Omega Pharma	BE0431676229		VL - Very Large	Nazareth	BELGIUM	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY	9	Yes	1957-07-27	2017-12-31	2	77	Omega Pharma
Omega Pharma	FR380243972		VL - Very Large	Châtillon	FRANCE	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY	2	Yes	1950-11-26	2016-12-31	2	3	Omega Pharma
Omega Pharma	BO00312767			El Alto	BOLIVIA, PLURINATIO...	No			Yes	2014-08-29				Omega Pharma
Omega Pharma	BE2029776765			Nazareth	BELGIUM	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY		Yes			1	0	Omega Pharma
Omega Pharma (Mohamed Hamed And Partners)	LB0001404159			Zahle	LEBANON	No			Yes	2013-04-17	2012-12-31			Omega Pharma (Mohamed Hamed And Partners)
Omega Pharma (Nz) Limited	NZ3429034112076		LA - Large	Auckland	NEW ZEALAND	No			No	2006-06-08	2017-12-31			Omega Pharma (Nz) Limited
Omega Pharma Assembly Inc.	PA473821RPP				PANAMA	No			Yes	2005-01-19				Omega Pharma Assembly Inc.
Omega Pharma Australia Pty Ltd	AU130628241-80003			Perth	AUSTRALIA	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY		Yes			1	0	Omega Pharma Australia Pty Ltd
Omega Pharma Australia Pty Ltd	AU130628241-80002			Belconn	AUSTRALIA	No			Yes					Omega Pharma Australia Pty Ltd
Omega Pharma Australia Pty Ltd	AU130628241		SM - Small	Belconn	AUSTRALIA	No	PERRIGO COMPANY PUBLIC LIMITED COMPANY		Yes	2008-04-15	2015-06-01	1	3	Omega Pharma Australia Pty Ltd
Omega Pharma Australia Pty Ltd	AU130628241-80001			Perth	AUSTRALIA	No			Yes					Omega Pharma Australia Pty Ltd

Records / page 200

Version 2.0.1.2112 / Orbis version 20180620

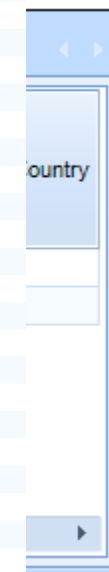


Arachne - screenshots

Company info

ARACHNE - Risk Scoring Tool (Arachne Server PROD)

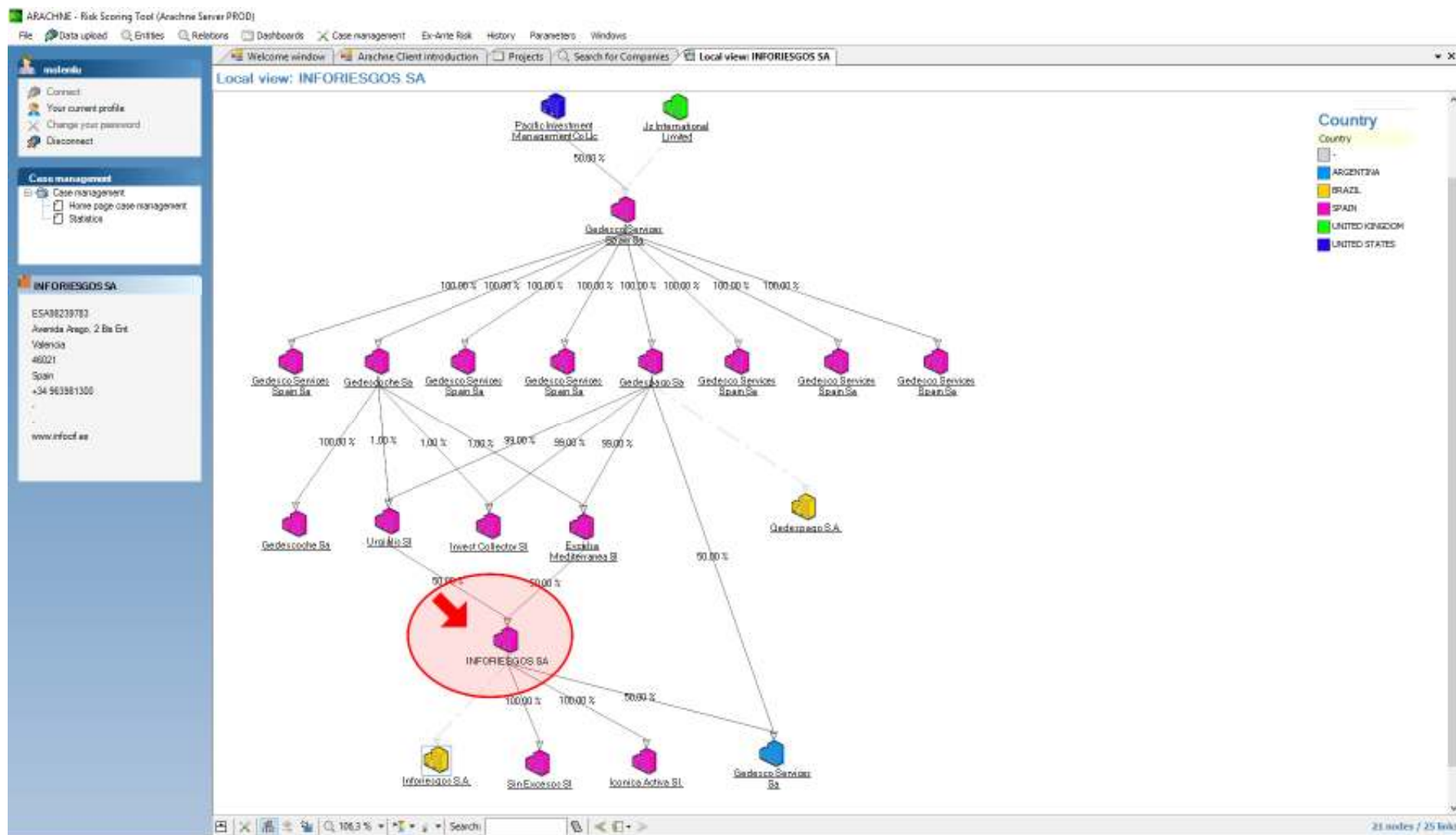
Managers for Omega Pharma										
	Manager / Person	Manager / Age	Manager / Birth date	Manager / Number of affinities	Manager / Number of companies	Beginning nomination date	End expiration date	Function (standardized)	Current / Previous	
General info	ERNST&YOUNG Bedifarevisoren BCVA/E...				280	1/20140000	20160000	Advisors - Auditor	Current	
	Mercour Consult NV				3	1/20120301	20170516	Board of Directors - Member	Previous	
Company VAT	Marc Amand Alice Andre Liliane Coucke	53	19650127		515	29 II		Senior management - Unspecified executive	Previous	
	Marc Amand Alice Andre Liliane Coucke	53	19650127		515	29 II	1/20120301	20160425	Senior management - Unspecified executive	Previous
	Marc Amand Alice Andre Liliane Coucke	53	19650127		515	29 II		Owners / Partners / Shareholders / Founders - Owner / Partner / Shareholder / Founder	Previous	
	Marc Amand Alice Andre Liliane Coucke	53	19650127		515	29 II		Senior management - Unspecified executive	Current	
	Marc Amand Alice Andre Liliane Coucke	53	19650127		515	29 II		Senior management - Highest executive	Current	
	Marc Amand Alice Andre Liliane Coucke	53	19650127		515	29 II		Other or unspecified department - Executive	Current	
	Marc Amand Alice Andre Liliane Coucke	53	19650127		515	29 II		Other or unspecified department - Chief Officer	Current	
	Marc Amand Alice Andre Liliane Coucke	53	19650127		515	29 II	1/20120301	20160425	Senior management - Highest executive	Previous
	Svend Andersen	56	19611206		578	126 I	1/20170301	20220502	Board of Directors - Member	Current
	Jan Michael Dominik Cassiman	56	19620517		71	4 I			Senior management - Deputy executive	Previous
Total project or	Paul Eelen			1,021	181 II	1/20150428	20180507	Advisors - Auditor	Previous	
Financial info	Sharon Gershon Kochan	49	19680711		394	112	1/20160722	20170301	Board of Directors - Member	Previous
	Benoit Suzanne Denise Norbert Graulich	52	19650704		349	28 II	20070604	20100503	Board of Directors - Member	Previous
	Peter Gustaaf Van Den Eynde	50	19671111		1,144	185 II	20080000	20100000	Advisors - Auditor	Previous
	Barbara De Saedeleer	48	19700117		308	28 II			Finance & Accounting - Chief Financial Officer	Current
	Jean-louis Yves Marie Joseph Duplat				173	8 I	20060606	20080601	Board of Directors - Member	Previous
	Barbara De Saedeleer	48	19700117		308	28 II			Finance & Accounting - Financial controller	Current
	Sam Albert Camiel Sabbe	52	19651130		260	39 I			Other Board or Committee - Member	Previous
	Christoph Patrick Stauble	51	19670224		220	37 I			Senior management - Deputy executive	Previous
	Christophe Eric Peter Tans				389	161 I	1/20160722	20220426	Board of Directors - Member	Current
	Barbara De Saedeleer	48	19700117		308	28 II	1/20150428	20160425	Board of Directors - Member	Previous
Share	Schepens Ton				68	1 I			Owners / Partners / Shareholders / Founders - Owner / Partner / Shareholder / Founder	Previous
	Judy Lynne Brown	50	19680606		342	112 I	1/20150330	20170501	Board of Directors - Member	Previous
	Judy Lynne Brown	50	19680606		342	112 I	1/20150330	20160722	Board of Directors - Member	Previous
	John Thomas Hendrickson	55	19620912		534	111 I	1/20150330	20170501	Board of Directors - Member	Previous
	John Thomas Hendrickson	55	19620912		534	111 I	1/20150330	20160722	Board of Directors - Member	Previous
	Benoit Graulich				12	1	1/20120301	20150428	Board of Directors - Member	Previous
	Lieven Adams				218	7 II	19990607		Advisors - Auditor	Previous
	Louis Cherico	46	19711126		305	25 II	1/20160722	20220502	Board of Directors - Member	Current
	Mylecke Management, Art & Invest NV				7	1	1/20120301	20160425	Senior management - Highest executive	Previous
	FV Management BVBA 0831.614.553				15	1	1/20120301	20150330	Board of Directors - Member	Previous
Biover										





Arachne - screenshots

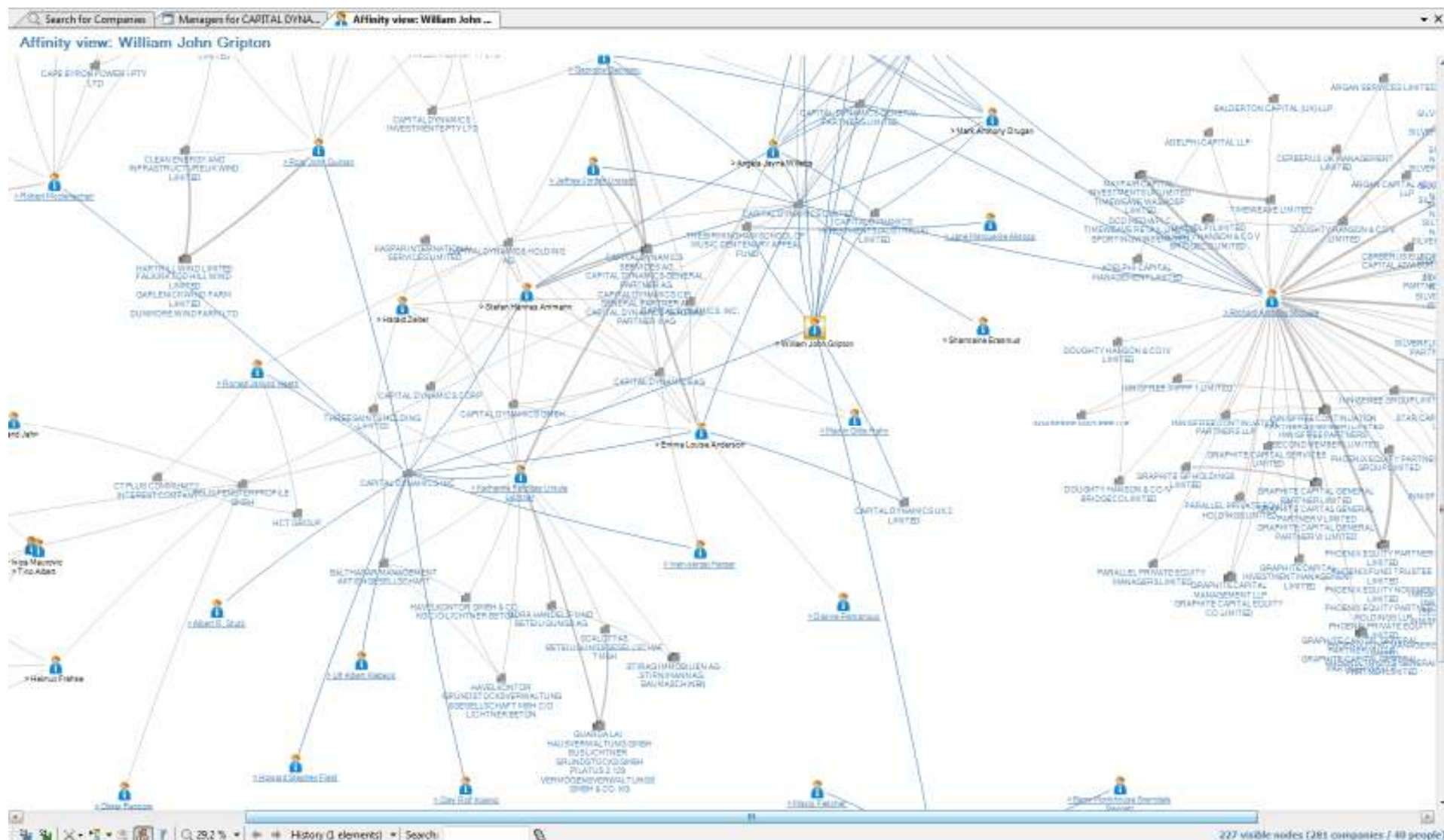
Local view of a company





Arachne - screenshots

Affinity view of a person





Surrounding view of a person

Surrounding view: Stanislav





Arachne – Webpage

More info on Arachne
[webpage](http://ec.europa.eu/social/main.jsp?catId=325&intPageId=3587&langId=en)

<http://ec.europa.eu/social/main.jsp?catId=325&intPageId=3587&langId=en>

The screenshot shows the official webpage for the ARACHNE Risk Scoring Tool. At the top, there is a navigation bar with the European Commission logo, a search bar, and a breadcrumb trail: "European Commission > Employment, Social Affairs & Inclusion > ... > Funding > European Social Fund (ESF)". Below this, a blue header reads "Employment, Social Affairs & Inclusion". A secondary navigation bar includes "Home", "Policies and activities", and "Publications and documents". The main content area is titled "ARACHNE RISK SCORING TOOL" and lists several key questions: "What is ARACHNE?", "Which procedure is followed to calculate risks?", "What kind of information is processed?", "What is the legal basis?", and "What are the benefits for the managing authorities?". To the right of the text is a video player showing a 3D architectural rendering of a modern building with the text "ARACHNE RISK SCORING TOOL" overlaid. Below the video, there are five links corresponding to the questions listed: "What is ARACHNE?", "Which procedure is followed to calculate risks?", "What kind of information is processed?", "What is the legal basis?", and "What are the benefits for the managing authorities?".



Arachne – Irregularities

- *No complete and exhaustive list can be given of what is and what is not an irregularity*
- *decisions can only be taken with reference to particular cases, and are subject to institutional judgment.*

Two questions should be asked:

- 1. Have rules been broken?*
- 2. If so, might this have a negative impact on the EU budget?*

→ *Arachne does not take decision*

→ *it helps you identify/avoid potential irregularities*



Arachne – Irregularities

- *An irregularity may occur at any moment in the project cycle, from programming through to audit, ex post monitoring or evaluation*
- *Checks at any stage may indicate that the conditions to be met by a beneficiary after project completion (e.g. operation of infrastructure) are not being met*

→ *Checks can be done in Arachne*

- **Ex ante**
- **During public procurement phases**
- **During life cycle of a project**
- **At any time**



Arachne – Irregularities

Check possible fake declaration of applicants

Classification irregularity: Falsified documents

- *Check companies data*
 - -> **search for companies**
 - -> **check financial reports**
 - -> **check linked projects**
- *Check companies linked to a person*
 - -> **list of companies of a person**
 - -> **check the projects linked to the companies of this person**



Arachne – Irregularities

Check possible fake declaration of applicants

Classification irregularity: Falsified documents

- *Check if a person is already linked to EU projects*
 - -> **is this person linked to WOKO lists**
 - -> **is this person linked to previous bankrupt companies**
- *Check the size of the company*
 - -> **detailed report of the company**
 - -> **check the hierarchy view to see if this company is part of a group**



Arachne – Irregularities

- *Check the solvency of the company*
 - -> **detailed report of the company**
 - -> **surrounding view of projects – VPI score of entities**





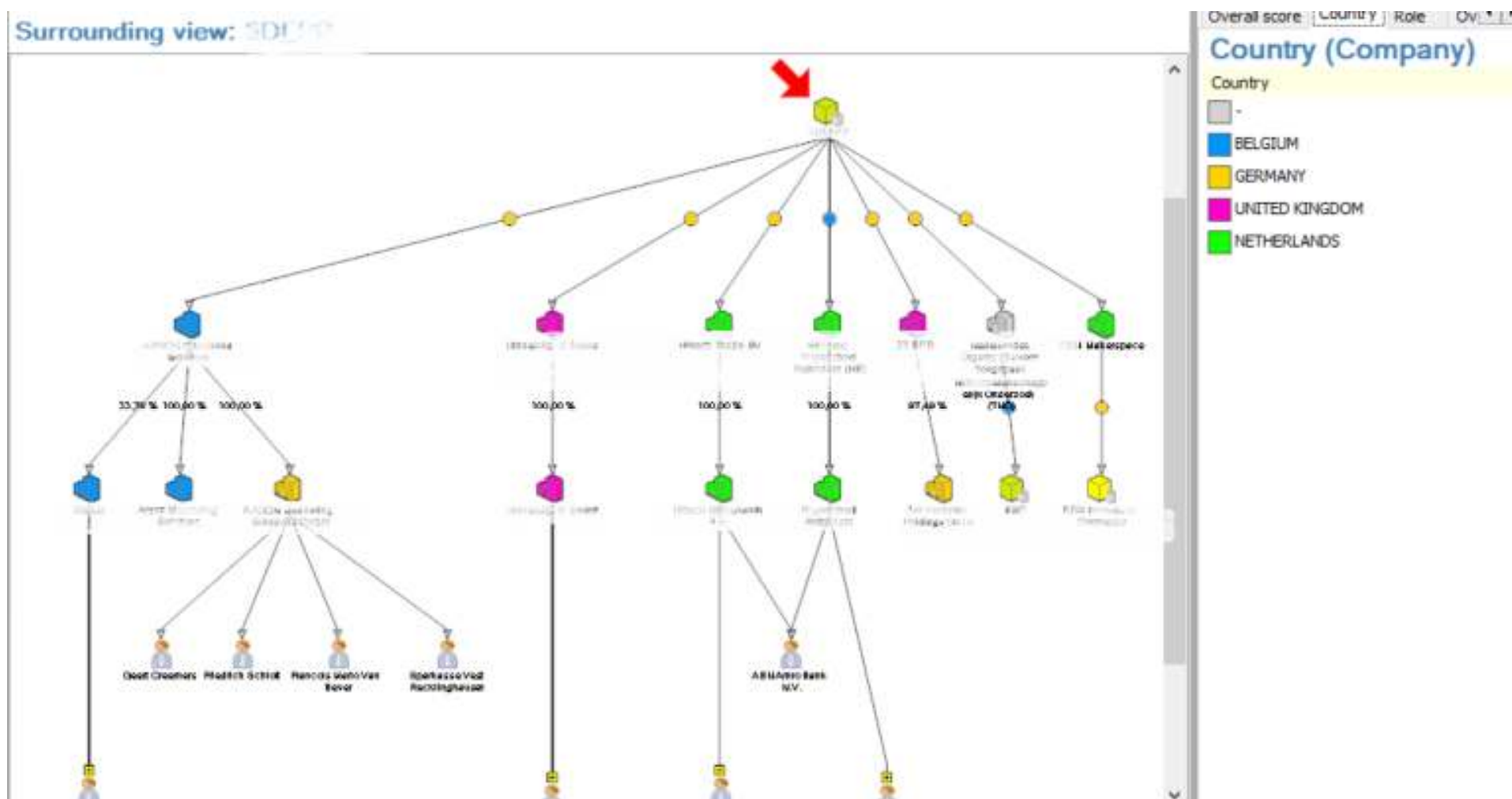
Arachne – Irregularities

- *Check if company involved in EU projects and if VAT of the company if incorrect*
- *Check for conflict of interest in projects from the program already in Arachne*
- *Check for expenses already issued by this company*
- *Check for contracts linked to the company*
- *Check involvement of a participant in companies who went bankrupted*



Arachne – Irregularities

- Check for **conflict of interest in projects** from the program already in Arachne





Arachne – Irregularities

Invoice with amounts in round figures.

Name	Value	Description
Difference between invoice and p...	0	Difference between invoice and payment dates
High percentage of cost allocated...	0	High percentage of cost allocations at the end of the project
Expenses with round amounts	0	Expenses with round amounts
Duplicate amounts within expenses	5	Duplicate amounts within expenses
Negative expenses	0	Negative expenses
Expenses higher than project cost	0	Expenses higher than project cost
Land expenses vs project cost		Land expenses vs project cost
⊕ Performance Overall Score		Performance Overall Score
⊕ Concentration Overall Score	34	Concentration Overall Score



Arachne – Irregularities

Large number of training courses awarded to the same final beneficiary for small amounts.

Search for Contracts

Contract Name: (Select oper.)

Contract ID: (Select oper.)

Contract Amount: Between (inc) 8000.00 → 10000.00

Contract type: Within

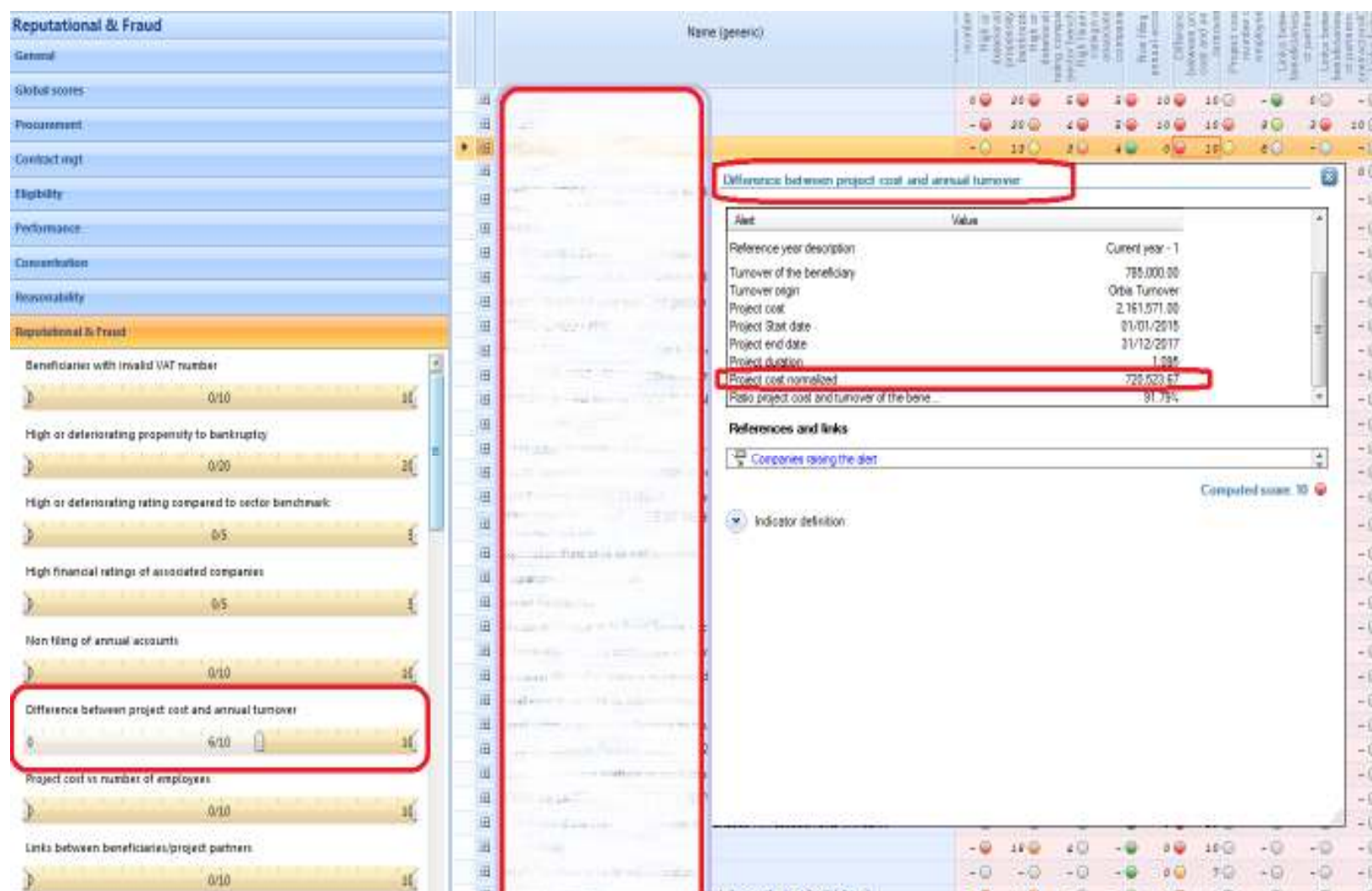
Case status	Contract	Contract Amount	Signature date	End date (initial)	End date (effective)	Contractor Name
	216/2014/597/UNI	8.000,00	2014-11-27			UNIVERSIT
	301/2016/328/UNI	8.000,00				UNIVERSIT
	931/2016/384/UNI	8.000,00				UNIVERSIT
	501/2016/377/UNI	8.000,00				UNIVERSIT
	451/2016/456/UNI	8.000,00				UNIVERSIT
	1065/2017/744/UNI	8.000,00				UNIVERSIT
	216/2014/732-UNI	8.000,04	2014-11-27			UNIVERSIT
	273/2014/627	8.000,00	2015-02-26			UNIVERSIT
	1065/2017/753/UNI	8.000,00				UNIVERSIT
	1005/2017/723/UNI	8.000,00				UNIVERSIT
	216/2014/723-UNI	8.000,04	2014-11-27			UNIVERSIT
	216/2014/654-UNI	8.000,04	2014-11-27			UNIVERSIT
	215/2014/658-UNI	8.000,00	2014-11-28			UNIVERSIT
	215/2014/658-UNI	8.000,00	2011-12-22			UNIVERSIT

Records / page 200



Arachne – Irregularities

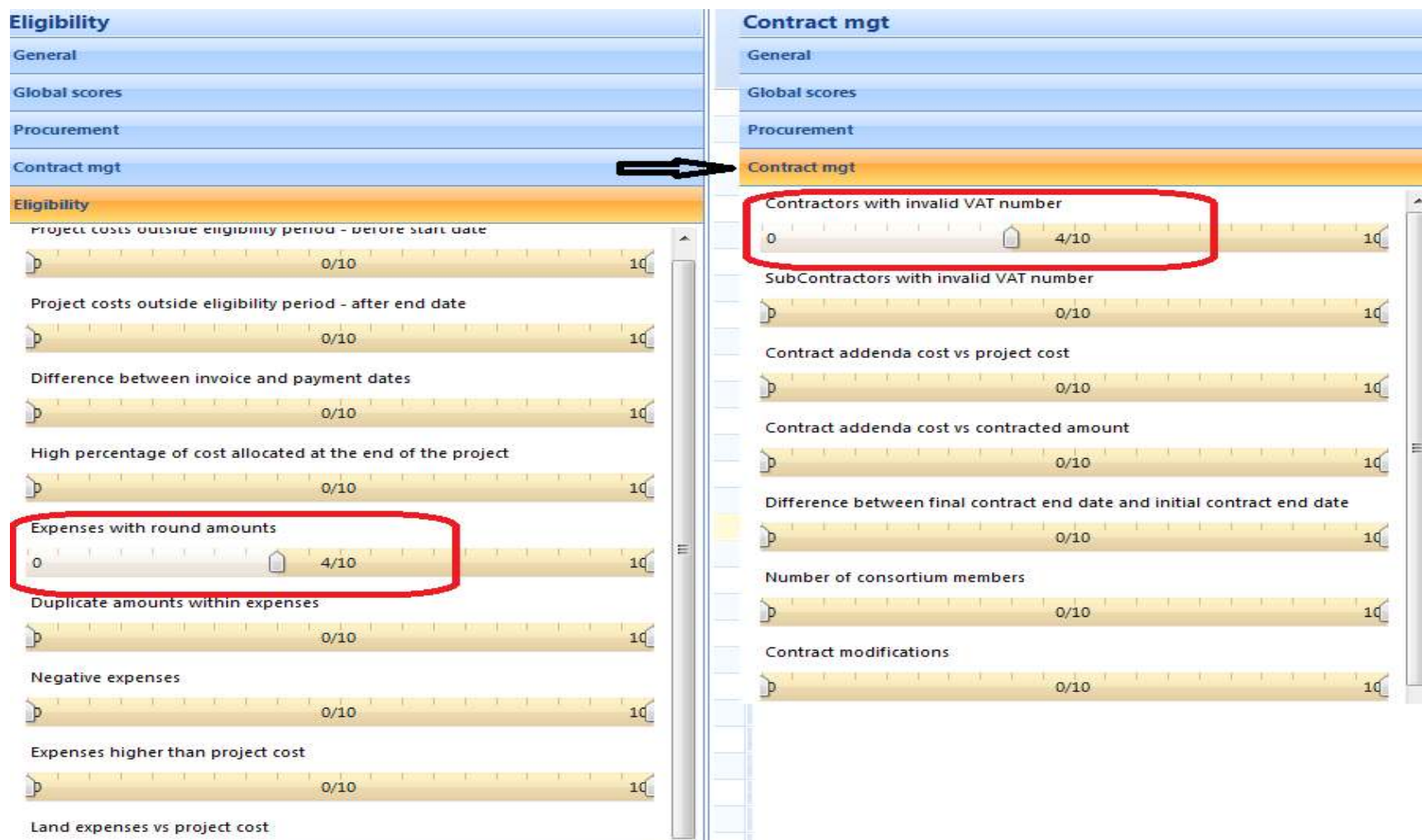
financial capacity of the beneficiary compared to the large amount of projects the company manages.





Arachne – Irregularities

- Invoices with rounded amounts
- Invoices with a VAT number that is incorrect
- Other Eligibility & contract related risks





Arachne – Irregularities

- Identical contracts amounts, for different projects but for the same contractor

Search for Contracts

Member State: [All] Managing Authority: [All] Operational Programme: [All]

Project Name: [Select open] Project ID: [Select open] Contract Name: [Select open] Contract ID: [Select open]

Sort Field 1: Contract Name Sort Field 2: (none) Sort Field 3: (none)

ASC/DESC

Reset Search

Contract Amount: Between (incl) 2454.22 → 2454.23

Case status	Contract	Contract Amount	Signature date	End date (initial)	End date (effective)	Contractor Name	Contract Name
		2.454.23	2018-06-04	2019-12-12	2019-12-12		
		2.454.23	2018-02-07	2019-04-03	2019-04-03		
		2.454.23	2018-01-19	2019-11-08	2019-11-08		
		2.454.23	2017-11-03	2018-12-31	2018-12-31		
	2	2.454.23	2017-10-31	2019-05-09	2019-05-09		
		2.454.23	2017-06-29	2017-12-31	2017-12-31		

Detailed report 2: Организиране на пресконференции, заснемане и излъчване на репортажи за популяризиране, прозрачност и инф...

Subcontract: No Key expert: Other Contract type: Other Project type: Other Contract modifications: No Addenda cost: Public (publicly listed comp. Open Beneficiary type: Other Procurement type: Other

Neighborhood

Projects: Contractors: subcontractors: Consortium members: Sub-contracts: Main contracts

Project - Name (generic): Project - Project ID

0168

Detailed report 2: Организиране на пресконференции, заснемане и излъчване на репортажи за популяризиране, прозрачност и инф...

Subcontract: No Key expert: Other Contract type: Other Project type: Other Contract modifications: No Addenda cost: Public (publicly listed companies) Open Beneficiary type: Other Procurement type: Other

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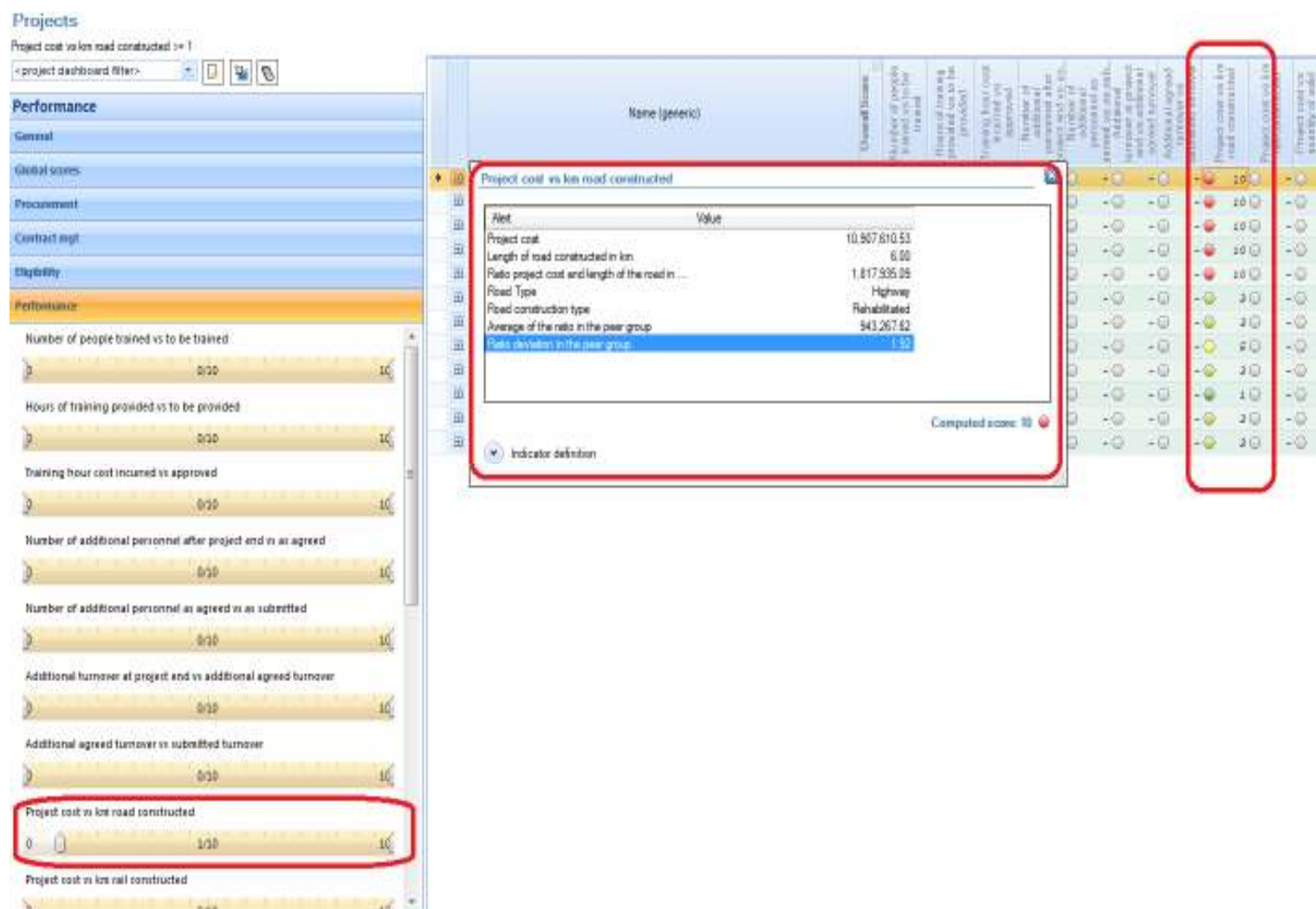
0171

Arrows indicate the flow of information from the table to the detailed reports.



Arachne – Irregularities

ex: In ERDF, project cost vs km constructed





Arachne – Irregularities

Similar projects awarded to the same final beneficiary

[illegible]



Arachne – Irregularities

The final beneficiary submitted to the Managing Authority a large number of invoices for costs which were not in compliance with the **rules on eligible expenditure**

Project costs outside eligibility period - before start date ≥ 5 and Project costs outside eligibility period - after end date ≥ 5 and Difference between invoice and payment dates ≥ 5 and High percentage of cost allocated at the end of the project ≥ 5 and Expenses with round amounts ≥ 5

Project costs outside eligibility period - after end date

Alert	Value
Project and date	05/06/2018
Nb of expenses linked to the project	8
Nb of expenses with complete data inform...	0
Nb of expenses with only the invoice date in...	0
Number of invoices after project end	1
Number of payments after end date	0
Total amount	257,018.51
Amount of invoices after project end	0.00
Amount of payments after end date	28,543.85

Expense ID	Expense description	Expense type	Expense amount	Invoice date	Payment date	Invoice date after po
386094376		Other costs	28,543.78	08/06/2017	18/09/2019	0

References and links

Expenses using the alert

Indicator definition

Expenses for Si

Expense ID	Expense type	Amount	Invoice date	Payment date	Source	Description
386094376	Other costs	28,543.78	08/06/2017	2019-09-10		

1 element(s)



European
Commission



Arachne – Irregularities

1.8 Non-compliance with the procedure established in the Directive for electronic and aggregated procurement

<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52017DC0572&from=EN>

f.Cooperating to procure together

Joint cross-border procurement, where contracting authorities from different countries jointly organise their procurement procedures, is greatly facilitated by the new EU rules. Several recent examples demonstrate the feasibility of such partnerships. Also, the procurement of large infrastructure projects that are crossing national borders requires strong cooperation among procuring entities and the ability to speak a common 'language'

- Sharing project data (without seeing the details of other Ops data) allow programs to see involvement of companies abroad
- Ability to get a better analysis of the involvement of a company (concentrations category)

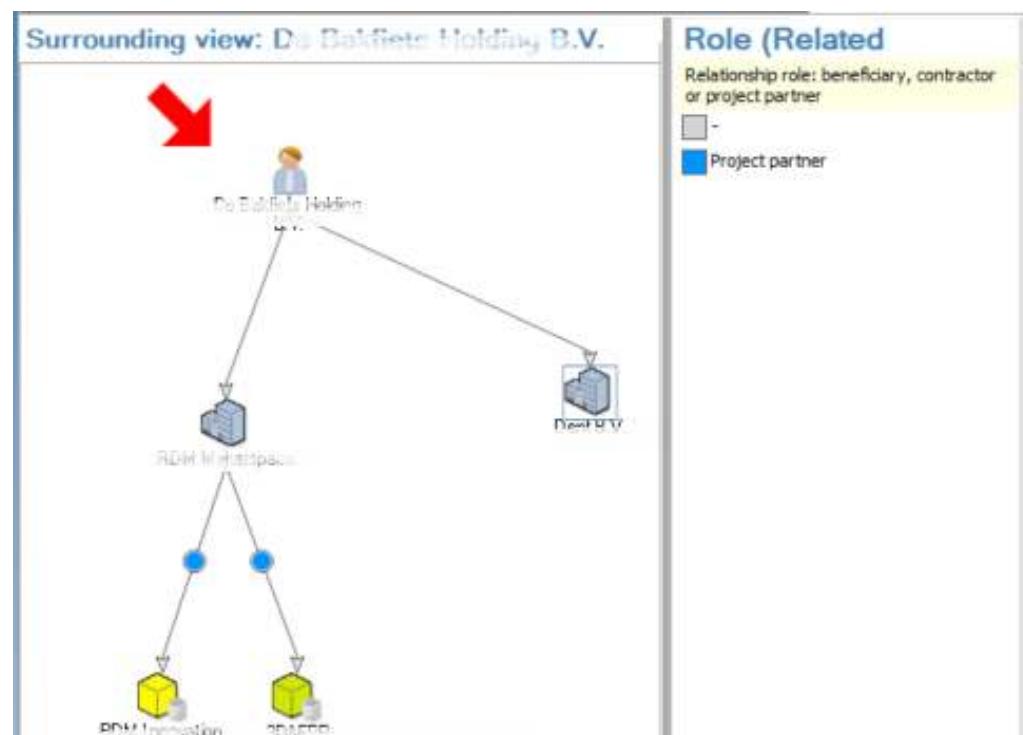


Arachne – Irregularities

1.18 Irregular prior involvement of candidates/tenderers towards the contracting authority

Arachne allows the MA to quickly see the involvement of a person in projects (surrounding view – search for person)

- If a person inform the MA he is not involved in any other projects with company Xμ
- He could be involved in other EU project via other of his companies
- This is allowed but MA need to be vigilant for double financing, same expenses..





Live Demo....



Thank you !

Q&A

Any questions?