



EUROPEAN COMMISSION  
EUROPEAN ANTI-FRAUD OFFICE (OLAF)

Investigations & Operations

*Quella K.10.02  
Bona*

Brussels, **011242** 18.10.2002  
[redacted] (2002-AD-11691)

## Assessment of initial information

### Investigator Recommendation

#### Case Identification

CMS No.	OF/2002/0356
CMS Short Name	OPOCE Consolidation Contract
Investigator in charge of assessment	[redacted]
Adviser in charge	[redacted]

#### Investigator Recommendation Summary

Initial Assessment Request of	8/08/2002
Source of information	Civil servant working in OPOCE
Allegation	Collusion to circumvent Contract clauses
Financial / Other impact	Ca. €30000
Recommendation	<input type="checkbox"/> non-case <input checked="" type="checkbox"/> open internal investigation <input type="checkbox"/> open external investigation <input type="checkbox"/> open coordination case <input type="checkbox"/> open assistance case
Priority Assessment	<input type="checkbox"/> potential landmark case <input checked="" type="checkbox"/> high priority <input type="checkbox"/> average priority <input type="checkbox"/> low priority

## Initial Assessment

### 1. BACKGROUND

OPOCE, with its responsibility for the consolidation of EU legal texts in all language versions before the accession of more member states, contracted for document processing for storage and updating facilities with a contractor called [REDACTED]

A price per production unit was established in the contract. The price has been renegotiated under the pressure of deadlines for finishing the consolidation to give an effective increase in the value of the contract of up to 40%. This is much less competitive than the original offer, which might have been artificially low to win the contract in the knowledge that a better price could subsequently be charged. Given the political danger of not completing to time, the opposition, if any, from the CCAM to a contract amendment could be successfully countered.

The resources available for the consolidation programme, were, it appears, also much higher than necessary and it would suit OPOCE to spend them rather than to de-commit.

It is suggested that slippage in the programme was deliberately introduced to apply pressure on OPOCE to give better prices. Artificial difficulties were found or created to allow the contractor to call meetings to decide the way forward. The meetings would introduce further delays in the implementation of the programme.

[REDACTED] is described by OPOCE in the contract literature as a "[REDACTED]". This appears, however, to be a fiction. Firstly, [REDACTED] is a recognised term for a legal body under French Law but could simply be called a "joint venture" elsewhere. Secondly, the constituent parts [REDACTED] and [REDACTED] are both wholly owned by "[REDACTED]". [REDACTED] claims responsibility for the EU CELEX system and [REDACTED] was founded to replace the paper version of [REDACTED] supplement to the Official Journal in CD-ROM and Web-based formats.

[REDACTED] and [REDACTED] are both located at [REDACTED]. An executive of [REDACTED] is listed as [REDACTED] of [REDACTED], also at that address. The CE of [REDACTED] Belgium is, the same [REDACTED], residing at [REDACTED] Belgium.

It is known that [REDACTED] has been active in contracts for evaluation work on the Fifth Framework Programme for EU Research where the quality of the service was, for whatever reason, mediocre. It also has or had contracts with the OPOCE. The original company was [REDACTED]

2. ALLEGATION

Collusion to frustrate contract conditions giving unfair competitive advantage to [REDACTED] to win contract and to subsequently negotiate more favourable terms

3. SOURCE RELIABILITY AND PROBABILITY OF INFORMATION BEING ACCURATE

Allegation by an official at OPOCE. The official was denied access to detail of contract after complaining to management. High probability of information being accurate as doubts over bona fides of tendering procedure and the [REDACTED] construct. Contractor has intimate knowledge of Commission workings (Celex, "S" supplement).

There is no reason to doubt the reliability of the source. It is strange if only two bids for this important, highly visible work were accepted.

The information provide seem to be accurate (see background).

4. RESPONSIBILITY OF OLAF

Yes, determine extent of collusion if any.

5. PROCEDURAL RECOMMENDATION

Start internal investigation.

6. PRIORITY ASSESSMENT

High - the contractor can apply pressure for further contract extensions and seems to have dissembled identity for prime contract.

7. INITIAL WORKPLAN SUGGESTIONS

Interview informant, deepen knowledge of contractor and extent of Commission engagements with [REDACTED] and its satellites

8. RESOURCE ALLOCATION SUGGESTIONS

[REDACTED] - initially 5 person days

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Initial Assessment supported by

Advisor in charge	[REDACTED]	[REDACTED]
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