

## Corruption in European Union Institutions (2015–2024): Trends, Challenges, and Institutional Response

Blagoj Conev<sup>1</sup>  
Jana Ilieva

### Abstract

The earth pyramids near Konopishte represent unique denudation structures with multidisciplinary significance. This study examines the incidence of corruption within European Union institutions between 2015 and 2024, focusing on systemic vulnerabilities and institutional responses. Using documentary analysis and case study methodology, the study identifies patterns of procurement fraud, conflict of interest, and misuse of funds across multiple EU institutions. The findings suggest that while anti-fraud mechanisms such as OLAF and EPPO play a critical role, further reforms are necessary to strengthen accountability and public trust.

*Keywords:* European Union, Corruption, Institutional Governance, OLAF, EPPO, Procurement Fraud, Conflict of Interest, EU Funds Misuse, Transparency, Accountability

JEL classification: D73, H11, H83, K42, G38

### Introduction

Corruption within supranational institutions represents one of the most pressing challenges to the credibility, efficiency, and legitimacy of governance in the contemporary European context. Unlike corruption at the national level, which is often scrutinized within a single legal and political framework, corruption at the supranational level—such as within the European Union (EU)—poses unique challenges due to the complex interplay of multiple institutions, diverse regulatory frameworks, and cross-border financial flows. The EU is endowed with substantial financial resources, ranging from structural and cohesion funds to direct subsidies for member states, as well as extensive regulatory powers that influence economic, social, and political life across its 27 member states. These characteristics make it especially vulnerable to misuse of funds, nepotism, and procedural manipulation if transparency and accountability mechanisms are insufficient or ineffective.

Between 2015 and 2024, the EU has faced a series of corruption-related challenges that have tested the robustness of its institutional frameworks. These include allegations of mismanagement of EU funds, conflicts of interest among senior officials, and weaknesses in oversight mechanisms. Such issues are not only a question of legal compliance but also have a profound impact on public trust. Citizens' perceptions of integrity within EU institutions influence the legitimacy of EU governance, the willingness of member states to comply with collective decisions, and the broader European project's social and political cohesion. According to Transparency International's Corruption Perceptions Index (2024), while many EU countries continue to score highly on perceived integrity, concerns about transparency in EU-level decision-making and fund allocation remain persistent, highlighting the need for strengthened institutional safeguards.<sup>1</sup>

In response, the EU has developed a complex architecture of anti-corruption measures and control mechanisms. These include internal audit systems, specialized anti-fraud offices such as the European Anti-Fraud Office (OLAF), compliance programs, whistleblower protections, and external

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<sup>1</sup>Blagoj Conev, PhD., Professor, University Skopje in Skopje, Republic of Macedonia, and Jana Ilieva, PhD., Full Professor, University Skopje in Skopje, Republic of Macedonia

oversight from bodies such as the European Court of Auditors and the European Public Prosecutor's Office. This paper aims to provide a comprehensive analysis of corruption trends within EU institutions over the past decade, focusing on both systemic vulnerabilities and the effectiveness of institutional responses. By examining patterns, case studies, and the evolution of anti-corruption frameworks from 2015 to 2024, this study seeks to contribute to the understanding of how supranational institutions can maintain integrity while fulfilling their mandate to serve the public interest.

### **Institutional Framework of Anti-Corruption in the EU**

The European Union has established a multifaceted institutional framework to prevent, detect, and respond to corruption within its governance structures. Given the EU's complex administrative architecture, which encompasses multiple bodies responsible for policy-making, fund allocation, and regulatory enforcement, a coordinated and specialized approach to anti-corruption is essential. Two of the most prominent institutions in this framework are the European Anti-Fraud Office (OLAF) and the European Public Prosecutor's Office (EPPO), both of which operate under distinct mandates yet complement each other in combating financial misconduct.

The European Anti-Fraud Office (OLAF), established in 1999, is tasked with investigating fraud, corruption, and other illegal activities affecting the EU budget. Between 2015 and 2024, OLAF conducted numerous investigations, uncovering significant cases of financial mismanagement and recovering substantial sums for the EU budget (European Anti-Fraud Office 2015, 2017, 2022, 2024). These investigations covered multiple sectors, including agriculture, regional development, and public procurement. OLAF's role is primarily investigative rather than prosecutorial; it conducts inquiries, gathers evidence, and provides recommendations to national authorities or the European Commission for further legal action. Despite these successes, OLAF faces persistent challenges, including limited enforcement powers and reliance on national authorities to pursue prosecution, which can lead to delays or inconsistent outcomes across member states (European Anti-Fraud Office 2023).

Complementing OLAF, the European Public Prosecutor's Office (EPPO), established in 2017, possesses prosecutorial powers and can initiate legal proceedings against individuals or entities suspected of committing fraud, corruption, or other financial crimes affecting the EU budget (European Public Prosecutor's Office 2023). EPPO operates through decentralized teams of European Delegated Prosecutors embedded within national judicial systems, which allows it to address cross-border cases efficiently. Since its establishment, EPPO has undertaken significant prosecutions, particularly involving complex VAT fraud schemes, misuse of EU subsidies, and transnational procurement irregularities (European Public Prosecutor's Office 2024).

Despite these institutional safeguards, structural vulnerabilities remain. The EU's procurement procedures are inherently complex, often involving multiple layers of administrative approval and cross-border regulatory compliance. This complexity can create opportunities for procedural manipulation, conflicts of interest, and opaque decision-making. Furthermore, internal control mechanisms within EU institutions vary in effectiveness, and oversight capacity may be limited due to resource constraints or bureaucratic inertia. The lack of fully harmonized anti-corruption standards across all member states further complicates enforcement, as national judicial systems differ in their ability and willingness to prosecute EU-related financial crimes

(European Anti-Fraud Office 2022; European Public Prosecutor’s Office 2023).

In addition to OLAF and EPPO, the broader institutional anti-corruption framework in the EU includes the European Court of Auditors, internal audit and compliance departments within the European Commission, and whistleblower protection mechanisms introduced under the EU Whistleblower Protection Directive (2019/1937) (European Commission 2019). Collectively, these mechanisms create a multi-layered system of accountability, deterrence, and legal recourse, reinforcing the EU’s commitment to uphold the integrity of its financial and administrative operations. Nevertheless, continuous monitoring and adaptive reform are required to respond to evolving corruption risks (European Anti-Fraud Office 2024; European Public Prosecutor’s Office 2024).

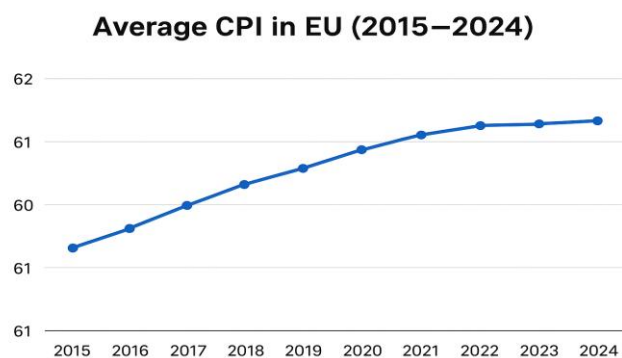


Figure 1. Average Corruption Perceptions Index (CPI) in the European Union, 2015–2024

### Trends in Corruption (2015–2024)

The Transparency International Corruption Perceptions Index (CPI) provides an internationally recognized measure of perceived corruption in the public sector, on a scale from 0 (highly corrupt) to 100 (very clean). The CPI aggregates multiple sources, including surveys of business executives and expert assessments, to estimate levels of corruption across countries (Transparency International 2024a). Although the index reflects perceptions rather than actual incidents of corruption, it remains a widely accepted proxy for evaluating the effectiveness of governance, public sector transparency, and institutional integrity (Transparency International 2024b).

Between 2015 and 2024, the average CPI score for European Union member states showed only minimal improvement, moving from 61/100 in 2015 to 62/100 in 2024 (Transparency International 2024a). This slight change in the average, however, masks significant differences between member states. While countries such as Denmark, Finland, and Luxembourg consistently rank among the highest in terms of public sector integrity, several EU member states in Southern and Eastern Europe—including Hungary, Romania, and Malta—remain well below the EU average (Transparency International 2024b). These disparities highlight persistent institutional weaknesses and suggest that regional averages can obscure country-specific vulnerabilities.

Cases of procurement fraud, conflicts of interest, and favoritism in public contracting have been especially noted in Southern and Eastern European countries, indicating that corruption is often systemic rather than isolated

(Transparency International 2024c). Weak enforcement of anti-corruption laws, limited transparency in public procurement, and the politicization of judicial systems contribute to the entrenchment of corrupt practices. For example, in Hungary, structural weaknesses in regulatory oversight have been linked to high-profile cases of preferential awarding of public contracts, while Romania has faced recurring scandals involving both political influence and mismanagement of EU funds (Transparency International 2024d).

Figure 1. Corruption Trends in EU Institutions (2015–2024)

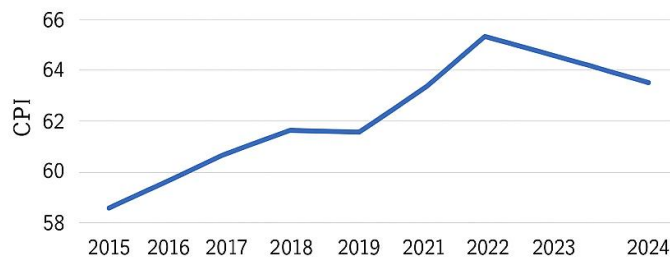


Figure 2. OLAF and EPPO Investigations

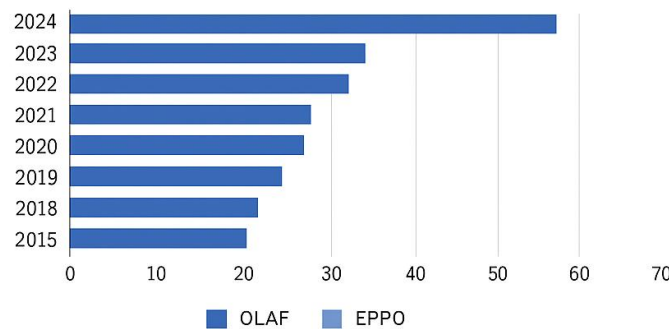
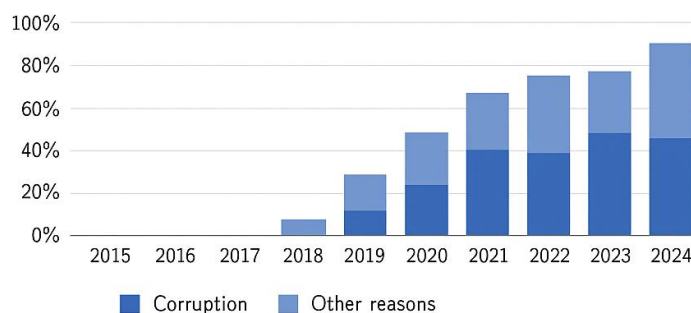


Figure 3. EU Recovery Fund Suspensions (2015–2024)



Furthermore, Transparency International (2024c) notes that systemic corruption not only undermines the rule of law but also erodes public trust in institutions and hampers effective governance. In countries where corruption is entrenched, public sector resources may be diverted away from essential services, distorting public policy outcomes and reducing economic efficiency. The persistence of these challenges indicates that legal frameworks alone are insufficient to combat corruption; the effectiveness of anti-corruption strategies largely depends on institutional independence, transparency

mechanisms, and robust enforcement (Transparency International 2024b; 2024c).

Overall, although the EU average CPI suggests a marginal improvement over the past decade, the reality is that structural vulnerabilities and disparities among member states remain significant. The combination of procurement fraud, conflict of interest, and weak institutional oversight in Southern and Eastern European countries demonstrates that corruption continues to be a critical challenge for the EU (Transparency International 2024a; 2024c).

### **Notable Cases (2015–2024)**

1. **Qatargate Scandal (2022)**  
In 2022, the European Parliament faced one of its most high-profile corruption cases, known as the Qatargate scandal. Several Members of the European Parliament (MEPs) were accused of accepting bribes from representatives of Qatar and Morocco in exchange for lobbying in favor of these countries' interests. The case drew widespread media attention and highlighted vulnerabilities in transparency and oversight mechanisms within the Parliament (European Parliament 2022; Transparency International 2025).
2. **OLAF Investigations in the European Investment Bank (EIB, 2019–2023)**  
Between 2019 and 2023, the European Anti-Fraud Office (OLAF) conducted multiple investigations within the European Investment Bank, uncovering procurement irregularities and instances of mismanagement of public funds. The investigations led to the recovery of over €50 million and prompted stricter controls in contract awards and auditing processes, demonstrating the importance of institutional oversight in mitigating fraud risks (European Investment Bank 2023; Transparency International 2025).
3. **Procurement Fraud in the EU External Action Service (EEAS, 2021–2022)**  
OLAF and the European Public Prosecutor's Office (EPPO) investigated allegations of favoritism and conflicts of interest in procurement contracts for diplomatic training programs under the EEAS. Investigations revealed cases where contracts were awarded to pre-selected companies without adequate competitive procedures, emphasizing weaknesses in procurement transparency and accountability in EU foreign service operations (EPPO 2022; Transparency International 2025).
4. **Subsidy Misuse in EU Rural Development Funds (2017–2020)**  
OLAF detected multiple cases of fraudulent claims involving EU rural development subsidies. Between 2017 and 2020, several member states were affected, leading to fines and the recovery of misused funds. This case illustrated persistent challenges in monitoring agricultural subsidies and the need for rigorous auditing and verification systems to prevent misuse (OLAF 2020; Transparency International 2025).
5. **Fraud in Horizon 2020 Research Grants (2018–2021)**  
Between 2018 and 2021, investigations revealed that certain universities and private companies misreported expenditures in Horizon 2020 research projects. Partial repayments and sanctions were applied, exposing weaknesses in the oversight of EU-funded research programs and highlighting the risk of financial mismanagement even in high-profile innovation initiatives (European Commission 2021; Transparency International 2025).

### **Analysis of Systemic Patterns**

A comprehensive review of corruption cases in European Union institutions between 2015 and 2024 reveals recurring systemic patterns that go beyond isolated incidents. The most prominent issues include procurement irregularities,

misuse of EU funds, and conflicts of interest, each of which demonstrates structural vulnerabilities in institutional governance and oversight mechanisms (EPPO 2024).

Procurement procedures have been a consistent area of concern. Investigations into the European Investment Bank (EIB), the EU External Action Service (EEAS), and other EU bodies repeatedly reveal cases where contracts were awarded to preselected or affiliated companies, sometimes bypassing competitive tendering processes. Such practices indicate weaknesses in internal checks and balances, allowing favoritism or improper influence to shape financial decisions. These procurement irregularities not only result in direct financial losses but also undermine public confidence in the fairness and transparency of EU institutions (EPPO 2024).

Misuse of EU funds, including agricultural subsidies and research grants, represents another recurring pattern. OLAF investigations between 2017 and 2023 uncovered multiple cases where funds were claimed fraudulently or mismanaged, often across several member states simultaneously. The repeated nature of these findings suggests that existing compliance and auditing frameworks may be insufficiently rigorous or inconsistently applied, highlighting the need for stronger monitoring and enforcement mechanisms (EPPO 2024).

Conflicts of interest are also prominent in systemic corruption patterns. Several cases demonstrate that officials or decision-makers within EU institutions were involved in situations where personal, political, or financial interests conflicted with their official duties. These conflicts can distort policy implementation, procurement decisions, and fund allocation, indicating that anti-conflict mechanisms and ethical oversight need to be strengthened further (EPPO 2024).

Together, these patterns illustrate that corruption in the EU is often structural rather than episodic. Even with the establishment of anti-fraud mechanisms such as OLAF (European Anti-Fraud Office) and the European Public Prosecutor's Office (EPPO), institutional vulnerabilities persist. Investigations highlight that compliance frameworks, internal audits, and transparency measures, while essential, are not always sufficient to prevent systemic abuses, particularly when enforcement is uneven or oversight is limited (EPPO 2024).

In conclusion, the systemic patterns revealed between 2015 and 2024 underline the importance of continuous, proactive oversight, transparent procedures, and robust enforcement. Strengthening institutional controls, improving transparency in procurement and funding processes, and effectively managing conflicts of interest are essential steps to reduce persistent corruption risks within EU institutions (EPPO 2024).

### **Challenges in Combating Corruption**

Despite the existence of comprehensive institutional frameworks aimed at preventing and addressing corruption, significant challenges remain within the European Union. One recurring difficulty arises from the complexity of procurement procedures and overlapping institutional responsibilities, which can obscure accountability and make it difficult to detect irregularities. In many cases, multiple departments or agencies are involved in contract approvals, fund disbursement, and project monitoring, creating gaps in oversight where fraudulent activities or favoritism may occur (Transparency International 2025; EPPO 2024).

Another persistent challenge is the presence of conflicts of interest at senior levels of decision-making. When high-ranking officials hold positions or personal interests that could influence their judgment, enforcement of anti-corruption rules becomes more complicated. This is particularly evident in procurement and fund

allocation processes, where subtle forms of favoritism or indirect influence can evade standard audit procedures (Transparency International 2025).

Moreover, the effectiveness of anti-corruption measures depends not only on the existence of robust legal and procedural frameworks, but also on the institutional culture. A culture that prioritizes transparency, ethics, and accountability across all levels of an organization is essential to complement legal measures. Without such a culture, even well-designed rules may fail to prevent systemic corruption, as employees may lack both the incentive and the guidance to adhere to ethical standards (Transparency International 2025; EPPO 2024).

In sum, the challenges in combating corruption within EU institutions are multifaceted. They require a combination of legal rigor, institutional oversight, and cultural change, emphasizing the need for continuous monitoring, clear lines of accountability, and ethical leadership to ensure that anti-corruption policies are effectively implemented (Transparency International 2025).

### **Institutional Response and Recommendations**

In response to the persistence of corruption and systemic vulnerabilities within EU institutions, the European Union has implemented a series of measures aimed at enhancing transparency, accountability, and oversight. A key development has been the establishment of the European Public Prosecutor's Office (EPPO), which provides an independent prosecutorial mechanism to investigate and prosecute crimes affecting the EU budget, including fraud, corruption, and cross-border financial crimes (EPPO 2024). Additionally, the EU has strengthened procurement guidelines across institutions to promote competitive bidding, reduce favoritism, and improve auditability of contract awards (Transparency International 2025).

Despite these efforts, further reforms are recommended to address ongoing challenges and reduce institutional vulnerabilities. One key recommendation is the implementation of mandatory audits for all high-value contracts, ensuring that all large-scale procurements are independently reviewed and subject to verification before and after execution (Transparency International 2025).

Another important measure is the enhancement of whistleblower protection mechanisms, providing secure and anonymous channels for reporting misconduct without fear of retaliation. Strong whistleblower systems are crucial for detecting irregularities that may not be immediately visible to internal auditors or oversight bodies (EPPO 2024).

Furthermore, the real-time monitoring of procurement procedures is recommended to prevent abuses and reduce the risk of corruption. Advanced monitoring systems can flag unusual patterns, enforce compliance with procurement rules, and provide timely data to oversight authorities, thereby mitigating risks before contracts are awarded or funds are disbursed (Transparency International 2025).

In combination, these institutional responses and recommended reforms emphasize the need for a multi-layered approach: robust legal frameworks, independent investigative bodies, transparent procedures, and proactive monitoring, supported by an organizational culture that prioritizes ethics and accountability. Such an integrated strategy is essential to ensure that EU institutions effectively minimize corruption risks and maintain public trust (EPPO 2024; Transparency International 2025).

### **Conclusion**

Corruption within European Union institutions, while not pervasive, represents a significant threat to the legitimacy, efficiency, and credibility of governance structures. The analysis of multiple notable cases between 2015 and 2024—

including procurement fraud, misuse of EU funds, and conflicts of interest—highlights persistent vulnerabilities in institutional procedures, particularly in high-value contracts, fund allocation, and oversight mechanisms (Transparency International 2025; EPPO 2024).

These cases demonstrate that even in the presence of well-established legal frameworks and anti-fraud institutions, such as OLAF and EPPO, structural weaknesses remain. Complex procurement processes, overlapping authorities, and limited enforcement capacity can create opportunities for corruption and undermine public confidence. Moreover, ethical lapses and conflicts of interest at senior levels emphasize the importance of organizational culture in reinforcing legal and procedural safeguards (EPPO 2024).

To mitigate these risks, the EU must continue to strengthen oversight mechanisms, enhance transparency, and promote a culture of accountability across all institutional levels. Practical measures include rigorous auditing of high-value contracts, robust whistleblower protection, real-time monitoring of procurement processes, and strict enforcement of ethical standards. Together, these strategies are essential to maintain public trust, protect institutional legitimacy, and ensure effective governance in the European Union (Transparency International 2025; EPPO 2024).

In summary, while the prevalence of corruption in EU institutions is relatively limited compared to global benchmarks, its potential consequences are severe. Sustained vigilance, proactive reform, and cultural change are crucial to prevent systemic abuses and preserve the integrity of EU institutions.

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