

(English version)

**Question for written answer E-002477/26
to the Commission
Marc Jongen (ESN)
(16 June 2026)**

Subject: Ramifications of the fraud scandal at the German Agency for International Cooperation (GIZ) in Yemen

According to media reports, since 2022 the German Agency for International Cooperation (GIZ) has been investigating allegations of fraud in projects in Yemen. These are said to have involved such offences as currency manipulation and falsified fuel expense claims; 24 staff members have already been suspended. Insiders estimate the potential losses to run into the tens of millions.

Although initial indications emerged several years ago and the relevant ministry states it has been aware of the matter since 2023, the investigations are still ongoing ⁽¹⁾. The case raises fundamental questions about the oversight of development funds in fragile states, particularly as the EU intends to continue providing substantial funding for development projects under the 'NDICI/Europe in the World' instrument.

1. How many cases of fraud, embezzlement or other serious financial irregularities have been detected in EU-funded development projects since 2016, and what was the total amount of losses in each case?
2. What new, binding control, audit and early-warning arrangements are being introduced under the 'NDICI/Europe in the World' instrument, and how do they differ from the procedures currently in place?
3. Does the Commission intend to temporarily or permanently exclude organisations or contractors from EU funding in the event of serious control failures in the future?

Submitted: 16.6.2026

**Answer given by Mr Sikela on behalf of the European Commission
(24 August 2026)**

The Commission cannot comment on ongoing investigations by national authorities, OLAF ⁽¹⁾ or the EPPO ⁽²⁾, to protect their confidentiality, any subsequent judicial proceedings, personal data and procedural rights.

The 2024 Financial Regulation ⁽³⁾ contributes to enhanced protection of the EU's financial interests and provides the legal basis for Arachne+, a modernised data-mining and risk-scoring tool, covering all management modes ⁽⁴⁾.

Commission services and Member States' users have already been onboarded to Arachne+. From 1 January 2028, entities implementing the EU budget must provide the data necessary to identify risks, including irregularities, conflicts of interest, suspected fraud, or links to politically exposed persons or criminal activities.

Arachne+ strengthens EU budget protection through stronger risk indicators, interoperability with key databases and artificial intelligence.

More information on the Commission's oversight in fragile States is provided in the reply to written question 24 of the 2024 discharge procedure ⁽⁵⁾.

The Commission does not grant funding to persons, entities or organisations involved in criminal practices, irregularities or fraud.

Where a serious control failure by an entity or person would qualify as an exclusion situation as defined in Article 138(1) of the 2024 Financial Regulation, the authorising officer responsible must consider initiating proceedings under the Early Detection and Exclusion System (EDES), while respecting the party's rights of defence.

Article 141(1) of the 2024 Financial Regulation stipulates that the duration of such an exclusion shall not exceed five years for the cases referred to in Article 138(1), points (d) and (i), and three years for the cases referred to in Article 138(1), points (c) and (e) to (h).

¹ <https://www.welt.de/politik/deutschland/plus6a1d3c1923e28d1fd3a5e4cc/giz-im-jemen-finanzz-affaere-um-moeglichen-betrug-in-der-deutschen-entwicklungspolitik.html>.

⁽¹⁾ European Anti-Fraud Office.

⁽²⁾ European Public Prosecutor's Office.

⁽³⁾ Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast): <http://data.europa.eu/eli/reg/2024/2509/oj>.

⁽⁴⁾ The legal basis for Arachne+ is set out in Article 36(6) of the Financial Regulation.

⁽⁵⁾ <https://www.europarl.europa.eu/committees/en/cont/discharge-procedure/discharge-2024>.

EDES has applied to direct and indirect management since 2016 and will become mandatory for the most serious misconduct, such as fraud and corruption, as of 1 January 2028.

Between 2016 and 2025, OLAF concluded 25 investigations into the specified funding instruments ⁽⁶⁾, resulting in financial recommendations of EUR 43 million. By the end of 2025, EUR 14 million had been protected, with follow-up ongoing in 16 cases.

⁽⁶⁾ DCI (Development Cooperation Instrument), EDF (European Development Fund), NDICI (Neighbourhood, Development and International Cooperation Instrument — Global Europe) and Trust Funds managed by Directorate-General for International Partnerships (INTPA), Director-General for Enlargement and Eastern Neighbourhood (ENEST) and Directorate-General for the Middle East, North Africa and the Gulf (DG MENA).