

**Question for written answer E-003416/2021  
to the Commission**  
Rule 138  
**Ivan Vilibor Sinčić (NI)**

**Subject:**      Embezzlement of EU funds in Croatia – Paying Agency for Agriculture, Fisheries and Rural Development

OLAF recently announced that it had reconstructed the illegal flow of money withdrawn from the European Agricultural Guarantee Fund (EAGF) for the construction of a winery by Josip Galić, who is close to the ruling party in Croatia, the HDZ.

The regulations specifically do not allow anyone related to the recipient of assistance from the EU fund – i.e. a contractor with whom there is a clear conflict of interest, or a personal or business connection – to be involved in the work. Galić's company first awarded a construction contract worth three million euros to a company with no employees, which then took on Presoflex as a subcontractor – a company run by Ino Galić, Josip Galić's son. OLAF is convinced that the sole purpose of this manoeuvre was to hide an obvious conflict of interest, which is not allowed under either Croatian or European rules.

1.    How does the Commission intend to prevent such cases from happening in the future?
2.    Why is the prevention of such cases inadequate, and how could anyone even find themselves in a position to misuse money in this way?
3.    How does the Commission intend to force the Croatian authorities and the Paying Agency for Agriculture, Fisheries and Rural Development to resolve such conflicts of interest and illegal withdrawals of money from funds, which are unfortunately commonplace in Croatia?