

National Anti-fraud Office, Spain

Title of the policy or measure (in English)	National Anti-fraud Office (ONLF) (Oficina Nacional de Lucha contra el Fraude) ⁱ
• Country	Spain
• Sectors	All
• What groups are targeted by the measure	<ul style="list-style-type: none"> - Labour inspectors (directly targeted) - Institutions that hold collaboration agreements with the National Anti-Fraud Office (directly targeted, see list below) - Workers involved in undeclared work/irregular employment (indirectly targeted). - Companies involved in UDW (indirectly targeted).
• Purpose of measure	Deterrence: improve detection
• Short sentence summarising the measure	The National Anti-Fraud Office is an autonomous body within the State Agency of the Labour and Social Security Inspectorate (ITSS) to specifically target undeclared work, irregular employment ⁱⁱ and fraud against social security. The National Anti-fraud Office aims also to coordinate efforts with other public administrations at the national and regional level for the same purpose.
Background	
• Background context driving the implementation of the measure	<p>The economic crisis increased the occurrence of UDW, motivating the reinforcement of efforts to tackle this problem. The positive results of the Plan Against Irregular Employment and Social Security Fraud 2012-2013 inspired the creation of a permanent office to fight fraud and undeclared work.</p> <p>In 2015, the organisation of the Labour Inspectorate was changed so that the former General Directorate for Labour and Social Security Inspectorate was transformed into the current State Agency of the Labour and Social Security Inspectorate (ITSS) (Organismo Estatal Inspección de Trabajo y Seguridad Social), as an autonomous body within the Ministry of Work, Migration and Social Security. Within this new structure, the Labour Inspectorate has more flexibility to act and, for example, negotiate and close agreements with other departments. Within this body, in 2015 the National Anti-Fraud Office was created to focus on UDW, irregular employment and fraud against social security, enhance the cooperation with other organisations and with the EU Platform for UDW.</p>
• When was the measure implemented? (including start date and end date/ongoing)	The National Anti-fraud Office was established in 2015, by the Law 23/2015 on the Organisation of the Labour and Social Security Inspectorate ('Ordenadora del Sistema de Inspección de Trabajo y Seguridad Social') and became operational in 2018, through Royal Decree 192/2018, 6 April, approving the Statute of the State Agency of the Labour and Social Security Inspectorate (ITSS).
• Names(s) of authorities/bodies/organisations involved	The Law 23/2015 that creates the National Anti-Fraud Office defines the cooperation of this office with several bodies, in line with the tradition of inter-institutional cooperation that already existed in Spain in this field. Currently, the National Anti-Fraud Office holds Collaboration Agreements with many

	<p>institutions including, for example, the Treasury of the Social Security, National Institute of Social Security (INSS), Public Employment Service (SEPE)ⁱⁱⁱ, Marine Social Institute (Instituto Social de la Marina)^{iv}, General Department of Transport (Secretaría General del Transporte)^v, Wage Guarantee Fund (Fondo de Garantía Salarial, FOGASA)^{vi}, Red.es^{vii} and others^{viii}.</p> <p>In addition, the National Anti-Fraud Office makes regular information requests to institutions including, for example, the General Department of Immigration and Emigration (Secretaría General de Inmigración y Emigración), Directorate-General of Traffic (DGT)^{ix} and others.^x</p> <p>The National Anti-Fraud Office cooperates at EU level with the EU Platform Tackling Undeclared Work.</p> <p>Future new collaboration agreements with other public administrations are part of the strategy of the National Anti-fraud Office. Examples are the ongoing agreements with the state prosecutors and with the justice system (June 2018)^{xi} or future agreements with the Federation of Municipalities and Provinces. New Agreements play a key role, among others, in the performance of the Risk Assessment/Anti-fraud Tool^{xii}, increasing the availability of data for the tool.</p>
<ul style="list-style-type: none"> • Scope of the measure (a pilot project, nationwide, regional wide) 	<p>The National Anti-fraud Office is a nationwide measure. It also plays a coordination role in the actions carried out by regional administrations to tackle undeclared work and will gradually be present in the regional departments of the Labour Inspectorate through specialised units set up in regional offices.</p>
<ul style="list-style-type: none"> • Type of (policy) measure 	<p>New institution</p>
<ul style="list-style-type: none"> • Key objectives of the measure 	<p>General objectives:</p> <ul style="list-style-type: none"> - Tackle undeclared work in Spain, irregular employment and fraud against social security (stated in Law 23/2015). - Ensure workers' rights, which are not guaranteed when undeclared work or irregular employment takes place. <p>Specific objectives:</p> <p>There are a number of specific objectives of the National Anti-fraud Office outlined in the Royal Decree 192/2018, Articles 16 and 17, for example:</p> <ul style="list-style-type: none"> • Analysis of fraudulent behaviours in the areas of its competence and the adoption of initiatives for the formulation of preventive strategies. • Preparation of the programs and general action plans of the Labour and Social Security Inspectorate in the fight against undeclared work, irregular employment and Social Security fraud, as well as the promotion and coordination of such programs and plans among the central and territorial inspection bodies. • Definition of work methods, and investigation and inspection procedures in the fight against fraud.
<p>Specific measure</p>	
<ul style="list-style-type: none"> • Description of how the measure operates in practice 	<p>The National Anti-fraud Office has three main functions:^{xiii}</p> <ol style="list-style-type: none"> a) Operative work: the management of sanctioning and liquidation proceedings for social security contributions following Labour and Social Security Inspectorate actions. Implementation of strategic plans.

	<p>b) Coordination among public organisations:</p> <ul style="list-style-type: none"> • To develop joint strategies and plans; • To carry out specific inter institutional actions; • To implement new EU directives. <p>c) Improving the capabilities of the Labour Inspectorate to tackle UDW through the following:</p> <ul style="list-style-type: none"> • Research and analysis; • Development of new IT tools, such as the Anti-fraud Tool; • Assessment and evaluation of the actions carried out in the field of UDW; • Recommending training activities.
<ul style="list-style-type: none"> • What resources and other relevant organisational aspects are involved? 	<p>The National Anti-fraud Office has been managed with the human and material resources of the Labour and Social Security Inspectorate and no additional specific resources have been used so far. Though, it is anticipated that, in the framework of the recently approved Director Plan for Decent Work 2018-2020, additional resources will be devoted to the National Anti-fraud Office.</p>
<ul style="list-style-type: none"> • What are the source(s) of funding? 	<p>The National Anti-fraud Office operates with resources of the Labour Inspectorate; thus, its source of funding is the budget of the central government through the Ministry of Work, Migration and Social Security.</p>
<p>Evaluation and outcome</p>	
<ul style="list-style-type: none"> • Has the measure achieved its objectives? 	<p>The National Anti-fraud Office has been created within a body that is still adapting to its new shape approved in 2018. Therefore, it is not yet possible to assess its performance. However, positive results are expected. The creation of the National Anti-fraud Office is the last step of a trajectory of improvement of institutional cooperation in the field of UDW, which has proven to provide positive results.</p>
<ul style="list-style-type: none"> • Assessment method (including indicators used to measure its impact), and the outputs and outcomes achieved 	<p>The National Anti-fraud Office was created in 2015 and has only been recently put into action (2018). Therefore, information is not yet available to assess its performance so far.</p> <p>The expected outputs and outcomes of the National Anti-fraud Office are closely linked to the Risk Assessment Tool/Anti-fraud Tool. Thus one expected outcome of the Office concerns an improvement in the efficiency ratio of the Labour and Social Security Inspectorate; additionally, improvement of collaboration with other public and private entities is also expected which in turn should contribute to further improving effectiveness and efficiency of the Inspectorate.</p>
<ul style="list-style-type: none"> • What are lessons learnt and the key conditions for success? 	<p>The lessons learnt and success factors include the following:</p> <p>- <i>The relevance of already existing coordination structures before the creation of the National Anti-fraud Office:</i> The creation of the National Anti-fraud Office is the continuation of a well-established tradition of inter-institutional cooperation in the field of undeclared work. Data exchange as well as joint plans have existed between the Labour Inspectorate, the Treasury of the Social Security and the Public Employment Service (PES) since 2005.^{xiv} The Law 23/2015 was a key measure enhancing institutional coordination in this field,</p>

	<p>mainly through sharing databases and work methodologies and through the reinforcement of the cooperation with Regions^{xv}.</p> <p><i>-It is important to have sufficient resources:</i> Regarding challenges, there is a need to increase the resources of the Labour Inspectorate, especially human resources. Gestha (the Tax Ministry workers trade union) has shown that the number of civil servants in the Treasury and Social Security bodies in Spain (2014) per capita is below the EU average. Moreover, according to Eurobarometer (2014), 58 % of respondents in Spain find that the risk of being detected whilst engaging in undeclared work is 'small', while the EU average is 53 %^{xvi}. The recently approved Director Plan for Decent Work will increase the human resources for the Labour Inspectorate by 23 % between 2018 and 2020^{xvii}.</p>
<ul style="list-style-type: none"> Level of transferability (e.g. other countries/groups/sectors) 	<p>As undeclared work has a multidisciplinary nature in every country, the creation of a specialised institution in this field to coordinate the involvement of different organisations in tackling UDW makes sense in any country.</p>
Additional information	
<ul style="list-style-type: none"> Contacts 	<p>Director of the National Anti-fraud Office Email address: itssgit@mitramiss.es Telephone: +34 91 363 11 60 / 61</p>
<ul style="list-style-type: none"> Useful sources and resources 	<p>Useful web links:</p> <ul style="list-style-type: none"> - Information on the National Anti-fraud Office, http://www.empleo.gob.es/es/organizacion/subsecretaria/contenido/OM111.htm <p>Useful sources:</p> <ul style="list-style-type: none"> - Law 23/2015, July 21st, on the Labour and Social Security Inspectorate System. - Royal Decree 192/2018, April 6th, approving the Statute of the State Agency of the Labour and Social Security Inspectorate. - Resolution of 27 July of 2018 that approves the Director Plan for Decent Work 2018-2019-2020 (Resolución de 27 de julio de 2018, de la Subsecretaría, por la que se publica el Acuerdo del Consejo de Ministros de 27 de julio de 2018, por el que se aprueba el Plan Director por un Trabajo Digno 2018-2019-2020)
<ul style="list-style-type: none"> Metadata and key words for online search 	<p>Spain; Oficina Nacional de lucha contra el Fraude; ONLF; ITSS; Empleo no declarado; Plan Director por un trabajo digno 2018-2020; cooperation agreements; inter-institutional cooperation; anti-fraud tool; irregular employment</p>

ⁱ The National Anti-fraud Office targets undeclared work, irregular employment and fraud against social security. The fiche focuses on its role of tackling undeclared work.

ⁱⁱ Such as full-time jobs under part-time contracts or temporary contracts that should be open-ended ones according to the Law.

ⁱⁱⁱ Servicio Público de Empleo Estatal (Public State Employment Service, Spain) - an autonomous institution, part of the Ministry of Labour Migration and Social Security. The institution is responsible for the management and control of unemployment benefits.

^{iv} Marine Social Institute is a public institution supervised by the Ministry of Employment and Social Security. It is responsible for the health care for sea workers, as well as the registration of companies, registration of the hiring and removal of workers, collection and control of contributions (in collaboration with the General Treasury).

^v The General Directorate of Transports is a body that belongs to the Ministry of Public Works.

^{vi} FOGASA (Fondo de Garantía Salarial/Wage Guarantee Fund) is part of the Ministry of Employment and Social Security (MEYSS). The responsibility of FOGASA is to guarantee that workers in employment relationships receive salaries, pending payments, and compensations for termination of the employment.

^{vii} RED.ES is a public body responsible for the digitisation of public services in Spain.

^{viii} The remaining organisations involved include

- Tax Agency (Agencia Tributaria).
- Law Enforcement Agents (Civil Guard (Guardia Civil)) National Police (Policía Nacional).
- General Council of Notaries (Consejo General del Notariado).
- Land Registry Office (Registradores de España).

^{ix} The Directorate-General of Traffic (Dirección General de Tráfico, DGT) is the government department that is responsible for the Spanish road transport network.

^x Other institutions in this regard include the Directorate-General of Merchant Shipping (Dirección General de la Marina Mercante) and the General Department of Fisheries (Secretaría General de Pesca).

^{xi} Learning Paper from the Thematic Review Workshop on Risk Assessments for More Efficient Inspections. 14 and 15 June 2018, Madrid, Spain

^{xii} The Anti-fraud Tool is a statistical tool designed to predict fraud in employment and social security. It guides the Labour and Social Security Inspectorate (ITSS) selection of companies that have a higher probability of engaging in UDW or carrying out other social security fraud/irregularities. Probabilities are calculated based on business models and backed by data mining.

^{xiii} Presentation “National Anti-fraud Office”, Gabriel Álvared del Egado. UDW Platform Thematic Review Workshop on Risk Assessments. State Agency of the Labour and Social Security Inspectorate. Madrid, 14 June 2018.

^{xiv} Plan of Prevention of Fiscal Fraud (Plan de Prevención del Fraude Fiscal).

^{xv} Peer Review on “Joint operation groups between public agencies – an effective tool to prevent and tackle undeclared work”. Oslo (Norway), 25-26 September 2017.

^{xvi} Peer Review Oslo, 25-26 September 2017.

^{xvii} La Moncloa. Presentation of the Plan for Decent Work. Internet:
http://www.lamoncloa.gob.es/consejodeministros/referencias/documents/2018/refc20180727e_2.pdf