

Exclusive: Fraud office handling complaints over jobs at European trade mark agency



Copyright Flickr/Creative Commons/Kristof Roomp

By [Jeremy Fleming-Jones \(/profiles/2810\)](/profiles/2810) & Cynthia Kroet

Published on 23/02/2024 - 11:18 GMT+1



[\(#vuukle-comments-2485286\)](#)



Add Euronews on Google (<https://www.google.com/preferences/source?q=euronews.com>)

Two complaints made over past year cover several appointments, alleging irregularities in pre-selection, bias, nepotism and graft.

European anti-fraud office OLAF has received two complaints alleging fraud surrounding recruitment at the EU's Alicante-based intellectual property office (EUIPO), Euronews can reveal, according to two sources familiar with the complaints and sight of related documents.

The two complaints were made within the last year and relate to several recruitment and selection processes. They allege frequent irregularities in the work of pre-selection committees, with a view to present sole candidates for selection, or to favour specific candidates.

In two of the recruitment processes subject to the complaints, graft involving municipal authorities local to EUIPO's Alicante premises is alleged. Two allegations of nepotism in relation to recruitment are made.

The complaints include criticism of frequent appointments of management staff of EUIPO from the agency's Managing Board and Budget Committee (MBBC), and allegations that staff involved in appointment processes were severely influenced.

The complaints allege that the behaviour constitutes fraud insofar as the jobs unjustly secured a financial benefit for the recipients.

Patents

EUIPO, set up some thirty years ago in Spain, is responsible for registration of EU trademarks and community designs, two intellectual property rights recognised in the bloc. Each year it registers some 135,000 EU trademarks and about 100,000 designs.

The office is likely to get new competences under proposed rules affecting so-called Standard Essential Patents (SEPs), put forward by the European Commission in April last year, with the aim of harmonising fragmented approaches to the enforcement of patent licensing across the EU.

Under those plans, EUIPO will house a competence centre to administer databases, a SEP register and monitor arbitration of disputes related to SEPs licensing.

EUIPO, which has around 1,100 staff members, is not subject to control by the European Parliament's budget committee or the commission, because it is fully self-financed through registration fees. Its internal Budget Committee is the office's budgetary authority. Its annual budget in 2023 was around €456m.

Aside from the complaints, the European Parliament's Legal Service addressed EUIPO's selection procedures for its executive directorship in a 2020 opinion, finding that the management board should propose more than one candidate for approval by EU member states in order not to limit countries' decision-making power.

On 1 October 2023, João Negrão from Portugal took [office \(https://www.euipo.europa.eu/en/news/joao-negrao-appointed-new-executive-director-of-the-euipo\)](https://www.euipo.europa.eu/en/news/joao-negrao-appointed-new-executive-director-of-the-euipo) as EUIPO's Executive Director (ED), succeeding Christian Archambeau, a Belgian national in office since 2018.

In response to a question from the European Parliament on the ED selection process last year, EU Industry Commissioner Thierry Breton noted that more than one candidate had been pre-selected, and said that the EU executive's two management board seats, as well as an observer's seat in the EUIPO Preparatory Subcommittee, had contributed to ensuring an open and transparent procedure.

Related

[Innovation on the rise: Record number of European patents in 2022 despite economic uncertainty](#)

[Five decades on, European patents continue to help us tackle emerging crises](#)

Recommendations

OLAF, mandated by the EU with the aim to protect the bloc's financial interests, can only issue recommendations in cases where it investigates following complaints, and where its investigations actually detect fraud. It's then up to the commission or national authorities to follow-up with appropriate action.

In 2022, OLAF concluded over 250 cases and recommended the recovery of more than €426m to the EU budget from fraud and irregularities, its annual report [shows \(https://anti-fraud.ec.europa.eu/media-corner/news/annual-report-olaf-investigations-uncover-over-eu600-million-affected-fraud-and-irregularities-2023-06-06_en\)](https://anti-fraud.ec.europa.eu/media-corner/news/annual-report-olaf-investigations-uncover-over-eu600-million-affected-fraud-and-irregularities-2023-06-06_en). It also investigated suspicions of misconduct by staff and members of EU institutions.

"We do not have any comments," a statement from the OLAF press office said. "As a general rule, OLAF cannot confirm, deny or comment on complaints it may or may not have received or on cases it may or not be treating," the statement said, adding: "This is in order to protect the confidentiality of any possible complaints, investigations or ensuing judicial proceedings, as well as to ensure respect for personal data and procedural rights."

A statement from the spokesperson for EUIPO, said the agency was unaware of any OLAF complaints.

"All selection procedures at the EUIPO are open, fair and transparent and are governed by the Staff Regulations for Officials, Conditions of Employment of Other Servants of the EU and relevant implementing rules, adopted after Commission's agreement and aligned with all other EU Agencies, and are subject to judicial control," the statement said.

The EUIPO statement said that the Court of Justice of the EU, which is the competent institution to control the EUIPO's decisions, "has neither raised any irregularity nor has annulled any selection procedure of the EUIPO, therefore we refute any unsubstantiated false allegations", adding that "everyone has the right to complain, but that doesn't mean that everyone is right."

The European Commission did not reply to a request for comment.