

European Funds Recovery Initiative

2025

Activity report



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1. Foreword

2025 was another year in which online fraud continued to grow in scale, sophistication and cross-border reach. Victims were increasingly targeted through digital channels that are fast, inexpensive to operate and difficult to police effectively across jurisdictions. At the same time, the methods used in online fraud became more adaptive, more professionalised and more capable of exploiting technological change.

Against this background, EFRI continued to strengthen its role as a representative body for victims of online investment fraud and related financial misconduct. EFRI's work in 2025 combined victim representation, legal analysis, case preparation and broader advocacy aimed at improving structural accountability. The organisation's activities reflected a growing recognition that effective victim protection requires not only support in individual matters, but also a deeper understanding of the systems, intermediaries and legal gaps that allow large-scale fraud to persist.

The developments of 2025 also confirmed that online fraud is no longer a marginal or isolated issue. It has become a significant challenge to consumer protection, financial integrity and the rule of law. Public authorities in multiple jurisdictions have begun to address the problem, yet the scale of the threat and the complexity of its operational structures indicate that important gaps remain.

A consistent focus of EFRI's work has been analysing cross-border consumer harm arising from large-scale online investment fraud, including the role that payment infrastructure and other financial enablers may play in the operation, scalability, and persistence of such fraud systems.

EFRI's mission remained unchanged in 2025: to support victims, strengthen legal enforcement and promote consumer protection and collective redress in Europe.

Elfriede Sixt

Nigel Kimberley

Executive Board of EFRI

March 31, 2026

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2. The rise of online fraud



Online fraud continued to expand in 2025, both in financial scale and in operational sophistication. In testimony delivered on 25 March 2026, the U.S. Federal Trade Commission reported that consumers submitted 3 million fraud reports for 2025 and reported USD 15.9 billion in losses, up from more than USD 12 billion in 2024. The FTC further stated that reported fraud losses have risen year over year for six consecutive years and have increased by **nearly 430% since 2020**¹.

A particularly important development was the continued dominance of investment fraud as the largest loss category. According to the same FTC testimony, consumers reported losing USD 7.9 billion to investment scams in 2025 alone. The FTC also stated² that consumers lost the highest aggregate amounts through bank payments, followed by cryptocurrency, while social media remained the contact method associated with the greatest aggregate reported losses. These figures illustrate that modern fraud is not only growing in volume, but is increasingly combining persuasion, digital reach and payment execution across multiple channels.

The European picture points in the same direction. Europol's **EU Serious and Organised Crime Threat Assessment 2025**³ identifies online fraud schemes as one of the EU's key crime threats and emphasises the growing integration of criminal activity into digital infrastructure and online services. Europol's assessment is significant because it shows that online fraud is no longer a peripheral consumer issue, but part of a broader organised crime environment with increasing reach, adaptability and professionalisation.

Crypto-related fraud and AI-enabled deception became even more relevant in 2025. In its January 2026 reporting, Chainalysis⁴ estimated that USD 17 billion was stolen through crypto scams and fraud in 2025. It also reported that impersonation scams grew by **1,400% year over year**, and that AI-enabled scams were **4.5 times more profitable** than traditional scams. These figures are particularly important because they suggest that technological change is not merely assisting existing fraud models, but is increasing their scalability, persuasiveness and economic efficiency.

A further important development is that governments and public institutions are now beginning to respond more directly to the structural growth of online fraud.

In the United Kingdom, fraud has remained high on the policy agenda, with the government continuing its broader anti-fraud strategy and the Online Safety Act creating duties for major platforms and search services to reduce the risk that their services are used for illegal activity, including fraudulent content and paid-for scam advertising. More recently, the UK government also announced additional disruption measures aimed at tackling organised scam activity more proactively.

¹ https://www.ftc.gov/system/files/ftc_gov/pdf/ftc-testimony-jec-hearing-on-the-rising-scam-economy.pdf

² https://www.ftc.gov/system/files/ftc_gov/pdf/ftc-testimony-jec-hearing-on-the-rising-scam-economy.pdf

³ <https://www.europol.europa.eu/cms/sites/default/files/documents/EU-SOCTA-2025.pdf>

⁴ <https://www.chainalysis.com/blog/crypto-scams-2026/>

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At EU level, a similar shift is now becoming visible. In November 2025, the European Commission indicated that it would publish an action plan on online fraud, with a particular focus on prevention, enforcement and improved support for victims. These developments are significant because they show that online fraud is increasingly being recognised not merely as a series of isolated offences, but as a structural regulatory and consumer-protection challenge requiring a more coordinated public response.



For EFRI, these figures are not merely background statistics. They confirm that online fraud must be understood as an increasingly international, technology-enabled and infrastructure-dependent ecosystem. This aligns with EFRI's longstanding approach of examining not only the direct perpetrators, but also the broader systems and enabling structures through which fraud is marketed, processed, scaled and kept operational over time. In 2025, these developments further confirmed the importance of that approach for EFRI's case analysis and strategic work.

3. Structural findings from EFRI's 2025 case file review

A major part of EFRI's work in 2025 involved the continued review of criminal case files relating to large-scale online investment fraud and the resulting consumer harm. This work did not merely support individual victim cases. It also helped to refine and further substantiate EFRI's longstanding understanding of how such fraud structures operate in practice and how they should be analysed from legal and strategic perspectives.

A central point reinforced by the file review was that large-scale online fraud often does not consist of isolated acts, but of coordinated and highly labour-divided systems. Social media and online advertising are used to attract victims. Professional-looking websites and platform interfaces create a false appearance of legitimacy. Small initial card payments help build trust and activate the supposed investment relationship. Call-centre agents then apply sustained pressure and manipulation, leading victims to make further and often substantially larger payments, frequently by bank transfer. Merchant structures, payment processing arrangements, settlement flows and downstream recipient entities may each play a functionally important role in maintaining liquidity and operational continuity.

What may appear at first sight to be a sequence of separate events is, in reality, often one integrated fraud process. For EFRI, this is of central importance and is consistent with its longstanding focus on the wider systems and enabling structures through which fraud schemes are able to function, scale and continue over time. The review of the files in 2025 further sharpened that perspective and provided additional support for EFRI's view that effective victim representation requires a broader structural analysis extending beyond the direct perpetrators alone.

At the same time, EFRI's work in 2025 highlighted a second and equally important difficulty: legal systems and judicial reasoning often struggle to reflect this operational reality. Courts are generally more accustomed to assessing isolated acts and linear causation than coordinated digital fraud systems involving multiple actors and cross-border stages. In practice, this can lead to an artificial fragmentation of what the files show as one organised process: advertising is separated from onboarding, onboarding from manipulation, card payments from bank transfers, and payment processing from downstream settlement activity.

For EFRI, this remained a central strategic lesson in 2025. The challenge is not only to collect evidence, but also to translate the operational reality of modern online fraud into legal concepts that courts can recognise and apply. The file review carried out in 2025 was therefore not only an evidentiary exercise. It was also an important step in refining EFRI's structural analysis of online fraud and the role of actors whose contribution may be essential to bringing such systems into operation, maintaining them, and allowing them to continue despite repeated warning signs.

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4. Institutional progress

In 2025, EFRI also made important institutional progress. These developments strengthened the organisation's position as a more formalised and strategically equipped actor in the field of collective victim representation.

A major milestone was EFRI's recognition, effective from 31 March 2025, as a qualified entity under section 1(1) of the QEG. This development significantly strengthened EFRI's institutional standing and marked an important step in the continued professionalisation of its work. It also reflected the organisation's growing role in collective consumer protection and cross-border victim representation.

A further important development followed on 25 November 2025, when EFRI entered into an agreement with a litigation funder. This was a significant step for the organisation's ability to pursue larger and more complex enforcement-related work. It reflected the growing need for professional structures capable of supporting victim representation in matters that are document-heavy, cross-border in nature, and strategically demanding.

Taken together, these developments show that 2025 was not only a year of substantive casework but also a year of institutional consolidation. EFRI continued to evolve from a committed victim-focused initiative into a more structured organisation capable of combining advocacy, legal analysis and strategic case preparation in a more formal and scalable way.

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5. Our publications

EFRI's work in 2025 was not limited to case support and victim representation. The organisation also contributed to the broader legal and policy debate on online fraud, payment fraud and structural accountability through its publications on www.efri.io and through analytical work.

A central milestone in this regard was the publication of the paper *Restoring Trust in European Payment Rails: A Framework for a Shared Liability Reform*. The paper was published on SSRN in September 2025 and addressed how European payment law and consumer protection frameworks should respond more effectively to fraud-induced payments and the broader architecture of modern scam systems. It argued for a more coherent allocation of responsibility across the payment chain and for a stronger focus on practical consumer protection outcomes.

For EFRI, this publication formed part of a broader effort to contribute not only to individual cases but also to the wider debate on how legal systems should adapt to large-scale digital fraud. The experience gained from victim representation and file analysis continued to inform EFRI's policy thinking, while legal and structural analysis in turn supported the organisation's casework and advocacy.

This combination of practical case experience and policy-oriented analysis remained an important part of EFRI's profile in 2025. It reflects the organisation's view that effective victim protection requires not only enforcement in individual matters, but also a clear and effective legal framework capable of responding to the realities of modern fraud.

6. Key activities in 2025

As in previous years, EFRI's activities in 2025 concerned cross-border consumer harm linked to large-scale online investment fraud. This included deceptive online investment schemes, fraud-induced payments made by consumers, and the legal and factual assessment of the possible role of payment infrastructure, payment service providers, banks and other financial intermediaries in enabling, processing or maintaining such fraud-related payment structures.

Alongside its analytical and institutional work, EFRI continued in 2025 to support victims in concrete legal and enforcement-related matters. This included both ongoing representation in existing proceedings and preparatory work for larger strategic actions.

EFRI's casework in 2025 was shaped by the same structural insight that emerged from its broader review of case materials: effective victim representation requires not only attention to individual facts, but also an understanding of the wider operational systems behind many forms of online investment fraud. This perspective continued to influence how EFRI approached case analysis, evidence assessment and strategic preparation throughout the year.

The organisation's work in 2025, therefore, combined direct victim-oriented support with broader litigation-related preparation. In this way, EFRI sought both to assist affected individuals in ongoing matters and to contribute to the development of more effective avenues for collective redress and legal enforcement.

The matters described in this report were ongoing or in preparation during 2025; none of them was finally concluded during the reporting year.

6.1. Representation in the German P2P GmbH distribution proceedings

In 2025, EFRI continued to represent victims in connection with the distribution of secured funds in Germany. According to EFRI's records, the organisation currently represents 65 individuals in the relevant proceedings before the Regional Court of Cologne (Landgericht Köln).

This work forms an important part of EFRI's practical victim support. It involves not only the legal and procedural handling of individual claims, but also the coordination and representation of affected persons in a complex and sensitive context. For many victims, proceedings of this kind are highly significant because they may offer one of the few remaining avenues for at least partial financial recovery.

EFRI's continued involvement in these proceedings in 2025 reflects the organisation's commitment to supporting victims not only at a general advocacy level, but also in concrete matters where legal representation and procedural coordination can make a direct practical difference.

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6.2. Preparation of collective action work concerning Payvision/ING and fraud-enabling payment infrastructure

A further central area of work in 2025 was the continued preparation of collective action-related proceedings concerning Payvision/ING in the Netherlands. According to EFRI's internal case planning and records, this work included legal analysis, factual structuring, review of case materials and broader strategic preparation aimed at supporting a collective enforcement approach on behalf of victims.

This preparatory work was particularly significant because of the scale, complexity and cross-border character of the underlying issues. It required not only the analysis of individual victim experiences, but also a broader assessment of payment flows, operational structures, potential legal bases for liability and questions of collective redress. In this respect, the work carried out in 2025 was not limited to preparing ordinary cases. It also formed part of a broader effort to develop an effective framework to address large-scale fraud-related harm through coordinated civil enforcement.

For EFRI, the continued preparation of this matter was one of the most important strategic strands of work in 2025. It reflected the organisation's view that certain forms of mass harm caused by online fraud require more than isolated individual actions and may instead call for a more structured collective response.

The Payvision/ING case concerns alleged consumer harm arising from online investment fraud and the possible role of payment infrastructure and financial intermediaries in the processing and continuation of fraud-related payment flows.

6.3. Public Information and Weekly Publications

EFRI continued its weekly public communication through blog contributions published on its website.

These publications served several functions: informing victims and the wider public about relevant developments, warning against recurring scam structures, highlighting the role of financial crime enablers, exposing regulatory gaps, and maintaining public pressure where enforcement remained slow or incomplete.

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7. From victims to members

During 2025, EFRI added 315 additional victims of online fraud. This increase reflects both the continued relevance of EFRI's work and the persistent absence of adequate institutional support structures for victims of cross-border online investment fraud.

EFRI deliberately did not charge membership fees to these newly added victims in 2025. This decision reflected the circumstances of the victims concerned and EFRI's priority to remove barriers to participation in collective support and legal coordination.

The continued growth of the victim base also confirms a broader structural problem: the harm caused by major fraud systems does not end when the platforms disappear or when individual perpetrators are prosecuted. The legal, economic and emotional consequences continue for years, and new victims often surface only gradually.

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8. Finances 2025

Revenue 2025

New members or victims generally pay a one-off membership fee of EUR 75 upon joining EFRI, although exceptions may be granted in individual cases.

EFRI's financial position in 2025 was materially shaped by its legal and strategic work in relation to the Payvision B.V. matter and its broader support for victims of the Barak and Lenhoff fraud schemes.

In this context, EFRI decided to waive the one-off membership fee for 250 new victims of Barak and Lenhoff who joined the initiative in 2025. EFRI also waived the EUR 75 membership fee for the 65 victims represented in the P2P GmbH recovery proceedings.

With effect from 15 November 2024, EFRI was granted tax-deductible donation status by the Austrian Federal Ministry of Finance pursuant to Section 4a(4) EStG 1988. In 2025, EFRI received donations under this status from two organisations interested in supporting its work.

Expenditure 2025

Legal costs accounted for 93% of EFRI's total expenditure in 2025 and were primarily related to ongoing proceedings involving Payvision/ING in Germany and the preparation of legal action against Payvision/ING in the Netherlands.

EFRI continues to maintain a lean administrative structure. Administrative support is provided on a part-time basis, primarily by EFRI members receiving weekly compensation.

9. Strategic Management

EFRI's work in 2025 confirmed that effective victim representation in cases of large-scale online fraud requires more than merely collecting facts in individual cases. It also requires a structural understanding of how such fraud systems operate and of how responsibility may be distributed across a wider set of actors and functions.

One important lesson was that the legal treatment of online fraud still often lags behind its operational reality. Fraud systems are increasingly coordinated, cross-border and functionally divided, yet legal analysis and court proceedings often continue to separate what, in practice, operates as one integrated process. This creates a risk that key elements of causation, continuity and enabling infrastructure remain insufficiently visible.

A second strategic lesson was that victim representation in this field must combine several forms of work at once: legal analysis, factual reconstruction, procedural support, institutional engagement and policy development. None of these elements is sufficient on its own. Only their combination makes it possible to respond adequately to complex fraud structures that evolve across borders and through multiple intermediaries.

For EFRI, 2025 therefore reinforced the importance of a strategy that is both victim-centred and structurally informed. The organisation's experience over the year confirmed that meaningful accountability in online fraud matters will often depend on the ability to move beyond narrow event-based analysis and toward a more accurate understanding of how these systems are organised and sustained.

10. Challenges and Outlook

Developments in 2025 will continue to shape EFRI's work in 2026. The organisation expects to further expand its litigation-related activities, deepen its analysis of complex fraud structures, and continue to strengthen its role in collective victim representation.

Despite the progress made in 2025, the underlying challenges remain severe. Victims of online investment fraud still face a landscape in which enforcement remains too slow, cross-border cooperation remains difficult, recovery opportunities remain limited, and key enabling actors in the payment chain are too rarely held financially accountable.

EFRI's recognition as a qualified entity was therefore not the end of a process, but the beginning of a more demanding phase. The organisation must now convert institutional recognition into practical collective enforcement.

The immediate outlook is defined by two priorities:

First, EFRI will continue to pursue the preparation of collective proceedings against Payvision / ING in the Netherlands, supported by the strategic infrastructure established in 2025.

Second, EFRI will continue to assist victims in existing proceedings, including the P2P GmbH distribution process, while maintaining its public information work and broader advocacy for stronger consumer protection against fraud-enabled payment harm.

More broadly, EFRI expects that the challenges associated with online investment fraud, payment-related fraud and technology-enabled deception will remain significant. For that reason, the organisation will continue to pursue a combination of casework, analysis and advocacy aimed at improving protection for victims and strengthening accountability across the wider fraud ecosystem.

EFRI intends to continue building that capacity.