TACIS subsidies allocated to Ukraine. Special report 6/97 Court of Auditors

1997/2106(COS) - 25/02/1998

In the report by Magdalene HOFF (PES, D) adopted, the Committee deplored the severe shortcomings and delays regarding the expenditure of funds provided for Ukraine under the EU budget. Of a total of Ecu 343m earmarked for the period 1991 to mid-1996, only 37.5% was actually spent. Even less satisfactory was the utilisation of funds earmarked for nuclear safety programmes: of Ecu 165m in commitment appropriations, only Ecu 42m - i.e. 25.5% - was paid out. The committee, which broadly endorsed the assessment made by the Court of Auditors in its Special Report 6/97, pointed to the obstacles to implementation of the TACIS programme in Ukraine. These were: the lack of a sustainable policy by the Ukrainian authorities to ensure a transition to a market economy, the insufficient and unstable staff resources of the Commission, the fragmentation of expenditure among relatively small projects, the lack of clarity and focus as to strategic objectives, and the poor coordination and unclear division of responsibilities between the Commission, the Ukrainian organisations and other outside providers of assistance. The Commission is asked to carry out a number of recommendations in order to improve the situation rapidly.