Annual report of European Reconstruction Agency (Regulation (EC) No 2267/2000)

2001/2255(INI) - 05/09/2002 - Text adopted by Parliament, single reading

This resolution demanding as a matter of urgency a report from the Commission to clarify the role of the external delegations in particular the European Agency in FYROM and Macedonia and in the Federal Republic if Yugoslavia was approved by the European Parliament by 443 votes to 11 with 13 abstentions. The European Parliament reiterates its Decision of 10 April 2002 concerning discharge to the Director of the European Agency for Reconstruction in respect of implementation of its budget for the 2000 financial year, in particular where it: - insists on the need to promote adequate investigation, including an internal evaluation by the European Anti-Fraud Office (OLAF), of any suspicion of mismanagement and/or corruption linked to projects, in particular those related to investments in the energy sector; - appreciates the Agency's performance in 2000 and that of its staff, which was required to perform its work, in particular regarding reconstruction and development, sometimes in very difficult circumstances, - underlines the obligation of the Director of the European Agency for Reconstruction to respect the provisions laid down in Council Regulation 2667/2000/EC of 5 December 2000 on the European Agency for Reconstruction, in particular those regarding the presentation of quarterly activity reports to the European Parliament despite the large workload. The Parliament recommends the Commission to submit to the European Parliament the annual report on the European Agency for Reconstruction activity and its financing before 1 May each year, at the latest. It underlines the need to maintain and whenever possible ensure greater transparency in the financial transfers and practices of the European Agency, and to promote financial audits in the energy sector as well as in other sectors in which EU assistance is provided, in order to reduce risks of fraud. It stresses, wherever applicable, the recovering powers of the Agency and calls for the prompt appointment of an internal auditor; underlines the importance of the role of the European Court of Auditors and the financial controler. The role of the European Anti-Fraud Office (OLAF) is underlined, in case of well-founded suspicions of mismanagement or corruption. In addition, it recommends that the Commission presents, at the latest by June 2003, the evaluation report foreseen in Article 14 of Regulation 2667/2000/EC on the application of the Agency's regulation, and the proposal concerning its status; notes that this report shall also include an evaluation of the visibility of EU assistance in the countries concerned and its contribution to reduce the reconstruction costs. Moreover, it demands as a matter of urgency that the Commission present to it the rules clarifying the tasks to be carried out by the external delegations and by the European Agency in FYROM and Macedonia and in the Federal Republic of Yugoslavia in order to prevent any overlapping or misunderstanding about the role to be played by each one of these two different structures. The parliament also considers that the regulation of the European Agency should be modified, in order to better reflect the shift of its activity in favour of a development policy for the Federal Republic of Yugoslavia and Former Yugoslav Republic of Macedonia. It considers that the Commission and the European Agency should significantly increase EU assistance in the two countriesconcerned, in favour of institutional and capacity building, which should contribute to the social and political support for long-lasting reconstruction and economic development; invites the Commission to adjust, as soon as possible, the strategy papers of the two countries concerned and the multi-annual indicative programmes, in order to better reflect the growing importance of this sector for regional stability; invites the European Agency to act accordingly when presenting its draft programmes to the Commission. It reiterates its opinion that any further extension of the territorial competence of the European Agency shall demand a modification of its regulations, as was the case for the Federal Republic of Yugoslavia and Former Yugoslav Republic of Macedonia, to be proposed on the basis of political and /or security reasons as well as of economic requirements for efficient and speedy delivery of Community assistance, in order to contribute to the stabilisation of the country or the region concerned. It is recommended that the European Agency for Reconstruction should play a more active role in accompanying the implementation of the grant component of "ad hoc" or exceptional financial assistance, in particular in terms of evaluation of the elements related to their political conditionality. Parliament is

also of the opinion that the performance and efficiency of EU assistance can be improved by reinforcing cooperation between the European Agency and the Commission services, also competent for the EU external assistance (DG RELEX, EUROPE AID, ECHO, DG ECON etc); considers that emphasis must be given to the health sector and also to expenditures in this sector (buildings and installations, medical equipment etc.). Lastly, the Director of the European Agency for Reconstruction is invited to present in the coming reports detailed information on: - initiatives taken in order to maintain and, whenever possible, to improve coordination with all other donors, - added-value and achievements reached by cooperation with all pillars of UNMIK, - initiatives taken in order to maintain and whenever possible to improve the Agency's financial accountability and transparency including audits in order to reduce the risks of fraud.