2004 discharge: European Agency for Reconstruction

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The committee adopted the report by Umberto GUIDONI (GUE/NGL, IT) recommending that Parliament should grant discharge for the implementation of the budget of the European Agency for Reconstruction for 2004.

In their accompanying comments, MEPs referred to the "express reservations" in respect of the 2004 financial year noted by the Court of Auditors concerning the Agency. These were due to uncertainties with regard to the completeness of the accounts and problems in the contract award procedure. The Agency was urged to continue its efforts to improve financial management and control and ensure that all transactions are capable of verification. In particular, in the wake of criticisms surrounding contracts for highly sensitive projects (e.g. mobile telephony operators), the report called on the Commission and the Agency to lay down "clear and transparent" public procurement rules, establish internal and supreme audit institutions and keep Parliament informed as to progress made. The Agency should also set "more realistic, appropriate selection criteria" for the award of contracts.

The report also noted the problems faced by the Agency in recruiting suitable staff because of its short-term mandate, and said that this mandate should be "lengthened and broadened for policy reasons". It suggested that the Agency could be used to provide reconstruction assistance wherever needed, for example, in Iraq, Afghanistan, Pakistan, India and the tsunami-hit countries, as a second stage after immediate humanitarian needs have been addressed by the Humanitarian Aid Office.

MEPs also made a number of general comments applicable to all the Community agencies:

- EU enlargement in 2004 had affected the structures and operating arrangements of the agencies in many ways, and the Commission should assess the real or supposed problems encountered and recommend the regulatory changes required;

- the agencies should spend the money available to them as efficiently and effectively as possible;

- the agencies should avoid duplication as far as possible and clarify measures for improving transparency and communication with the public, to overcome their often negative image which many of them did not deserve;

- the Commission should help harmonise the activity reports of the agencies - which differed significantly in terms of content - by informing them of the common indicators that they must provide;

- there was a need for improved cooperation between the agencies, particularly in such common areas as training, the use of the latest management systems and solving problems relating to sound management of the budget.