Basic information

1997/2106(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
TACIS subsidies allocated to Ukraine. Special report 6/97 Court of Auditors **Subject** 6.30.02 Financial and technical cooperation and assistance 8.40.05 Court of Auditors **Geographical area** Ukraine	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	HOFF Magdalene (PSE)	17/06/1997

Committee for opinion	Rapporteur for opinion	Appointed
RELA External Economic Relations	MANN Erika (PSE)	22/07/1997

Council of the European Union

Key events

Date	Event	Reference	Summary
05/06/1997	Non-legislative basic document published	RCC0006/1997	Summary
18/07/1997	Committee referral announced in Parliament		
25/02/1998	Vote in committee		Summary
25/02/1998	Committee report tabled for plenary	A4-0063/1998	
11/03/1998	Debate in Parliament		
12/03/1998	End of procedure in Parliament		
06/04/1998	Final act published in Official Journal		

Technical information

Procedure reference	1997/2106(COS)
Procedure type	COS - Procedure on a strategy paper (historic)

Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	CONT/4/08947

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0063/1998 OJ C 104 06.04.1998, p. 0005	25/02/1998	
Text adopted by Parliament, single reading		T4-0153/1998 OJ C 104 06.04.1998, p. 0199-0230	12/03/1998	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofA	Non-legislative basic document	RCC0006/1997	05/06/1997	Summary

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

1997/2106(COS) - 12/03/1998 - Text adopted by Parliament, single reading

In adopting the report by Mrs Magdalene HOFF (PSE, D) on Tacis subsidies to Ukraine, the European Parliament deplored the fact that only 37.5 % of the Tacis commitments in Ukraine from 1991 to mid-1996 had given rise to payments and that for nuclear safety programmes the equivalent figure was only 25.5%. It noted the Commission's efforts to speed up implementation in 1997, and observed that the Tacis implementation difficulties in Ukraine had arisen principally from the following: -lack of a sustained policy by the authorities in Ukraine to achieve the transition towards a market economy, -insufficient and unstable personnel resources at the Commission, -fragmentation of expenditure over large numbers of relatively small projects with limited impact, -lack of clarity and focus as to the strategic objectives of the Tacis programme, -administrative shortcomings of partner organizations in Ukraine, -frequent divergencies between the Commission and Ukrainian beneficiaries, -poor coordination and unclear division of responsibilities between the Commission and other outside providers of assistance, contractors and beneficiaries, -excessively burdensome and lengthy administrative procedures. Parliament accordingly made a list of proposals which it asked the Commission to implement in order to remedy the situation rapidly: 1) that the number of projects financed be reduced, focusing Tacis on a limited number of sectors for four years and concentrating on large projects, 2) that current projects be reviewed in 1998 with a view to cancelling those which were unproductive, 3) that the Commission improve its staffing, both on the spot and in Brussels, and retain high-level staff in its DG IA, 4) that measures be taken to ensure that projects in Ukraine were approved for financing only if they could be finalized within six months, 5) that expenditure not implemented be reallocated, 6) that international coordination be reorganized. Parliament deplored the blockages in the nuclear safety programme, and awaited the Court of Auditors' 1998 report with a view to drawing conclusions for its future direction. Parliament insisted that the effectiveness of the EU's policy on aid to Ukraine must be constantly monitored, and stressed the desirability of encouraging a more strategic approach to defining needs in Ukraine.

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

1997/2106(COS) - 05/06/1997 - Non-legislative basic document

OBJECTIVE: to present the Court of Auditors' special report (no. 6/97) on TACIS subsidies allocated to the Ukraine from 1991 to 1995, especially in the nuclear safety sector. CONTENT: this report examines the efficiency of aid granted by the European Union to the Ukraine under the TACIS programme and, more importantly, the way in which technical assistance has been implemented in the nuclear sector, which is the priority sector under this programme. The Court's analysis shows that the implementation of the TACIS programme has been particularly slow in this country due to the need for reform, especially in the field of nuclear safety. The Court considered that this delay was caused both by lengthy negotiations with the Ukrainian authorities and by the Commission, which had been unable to find one full-time expert to monitor action in this sector. The agency coordinating foreign aid, which should act as the TACIS coordination unit for Ukraine, was still not able to perform its role effectively. The Court even noted that financing provided under TACIS did not always respond to actual needs. The existing coordination agency did not, in practice, fulfil its role of intermediary between the Commission and the local authorities, especially in the field of nuclear safety, where supplies of equipment were given

preference over measures to improve operational safety. Faced with these shortcomings, the Commission increased project support and monitoring activities. In the Court's opinion, these indiscriminant activities proved ineffective and gave rise to duplication of work and administrative delays, resulting in the dilution of responsibilities. The Court also considered that the Commission had delegated too much responsibility to outside consultants without providing supervision. This dilution of responsibilities was reflected in a weakening of early warning systems (the parties involved in certain actions in the nuclear sector did not feel duty bound to refer problems to the Commission or the highest authorities in Ukraine). The Court also emphasized that the sluggishness of the administrative processes was often the result of concentrating management functions at Commission headquarters. A redeployment of Commission staff therefore appeared desirable. It also considered that administrative procedures should be more rapid and better adapted to rapid response requirements (especially in the nuclear sector). On a financial level, mobilization of funds was too slow. The Court called for coordination to be encouraged between the activities of donors and between the various European Union programmes. Mobilization of financial support should be more dependent on the level of progress actually achieved in the sectors in question (as was the case in the agricultural sector). On a general level, the Court considered that the audit in Ukraine showed that the supervisory mechanisms which were supposed to optimize the impact of TACIS commitments were not operating effectively. It found that there was a lack of quantified objectives and an absence of project monitoring and evaluation of progress. The Court therefore recommended more efficient monitoring of actions undertaken in order to benefit from the experience acquired and called for the terms of reference of the project assessment and monitoring teams to be reviewed