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Press Release

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UNMIK



United Nations Mission in Kosovo

UNMIK/PR/1531
Monday, 10 April 2006

UNMIK refutes allegations of failure to act against corruption

PRISTINA – UNMIK refutes allegations made in a recent report of the UN Office of Internal Oversight Services (OIOS) from New York regarding lack of action against corruption and mismanagement allegations at Pristina International Airport. UNMIK considers this particular report as flawed. It ignores actions taken over the last years by UNMIK and does not reflect the current situation. The allegations made are not supported by the facts and are not substantiated by the evidence.

SRSG Søren Jessen-Petersen stated: “UNMIK’s determination to fight corruption is whole-hearted and uncompromising. Not only have we set up effective bodies that deal with the criminal side of this destructive phenomenon, we also changed the management structures of the Publicly Owned Enterprises to diminish the scope for fraud and mismanagement. The Airport is a success story for Kosovo: it manages almost one million passengers per year and internally it has been developed into a transparent and modern company.”

The OIOS report lists instances from the period 1999-2003 for which the Investigation Task Force (ITF, where OIOS is represented) established in November 2003 by the then Special Representative of the UN Secretary-General (SRSG) pointed out several shortcomings in the management of the Pristina Airport and other Publicly Owned Enterprises (POEs). These observations served as the basis for comprehensive management reform measures undertaken by UNMIK over the past three years. The OIOS ignores the steps taken and extrapolates from the instances of 2003 and before to suggest a false picture of continuing mismanagement in the POEs.

Based on the recommendations of an audit commissioned by UNMIK for all POEs for the period 2000-2002, UNMIK in August 2003 prepared a package of more than thirty reform measures addressing managerial and regulatory reform, administrative investigation and law enforcement. This included the establishment of:

- The Office of POE Oversight (OPOE) in October 2003 under the direct control of the SRSG to ensure progress of the reform package affecting POEs;
- The Investigative Task Force (ITF) in November 2003;
- Specialised prosecution capabilities within UNMIK Department of Justice in 2004.

UNMIK has since introduced proper corporate governance in all POEs, incorporating them into Joint Stock Companies (JSCs) in accordance with international standards. UNMIK now monitors the performance of the POEs and their management through the respective Boards of Directors.

Since 2003, the Pristina Airport has been audited every year externally and identified weaknesses addressed. The Airport has substantially improved its financial tracking

systems, has established clear written guidelines as to levels of authority within the Company, and written standard operating procedures for human resources management and procurement, among others.

UNMIK took a broad range of actions regarding the Airport, in response to reports from the ITF. Nine cases, where the ITF suspected criminal activity, were properly investigated by the Police and the Public Prosecutor. In seven cases the evidence proved insufficient to proceed to trial. One case is presently in the judicial process, while another remains under investigation.

The Airport Board of Directors created a Task Force last year to look into the ITF findings. The Task Force report will be discussed by the Board on 20 April.