

WRITTEN QUESTION P-2975/03
by Freddy Blak (GUE/NGL)
to the Commission

Subject: Contracts with CESD

In December 2001 the Commission (EuropeAid) signed a contract worth EUR 999 780 with the firm CESD, which was to help with a census in former Yugoslavia. The fact that this contract was entered into is highly problematic. Firstly, the firm obtained the contract outside the customary tendering procedures. Secondly, it was entered into in spite of the fact that the firm had already been shown to have swindled Eurostat out of more than EUR 3 m.

Between 1996 and 2001, CESD entered into contracts worth EUR 31 655 756 with Eurostat, some of which were awarded outside the customary tendering procedures. Eurostat-CESD contracts not in line with tendering rules have been criticised by the Court of Auditors in its annual reports (OJ C 327, 24.11.1994; OJ C 349, 3.12.1999; and OJ C 342, 1.12.2000).

Would the Commission state whether it was unaware of the Court of Auditors' criticism or whether it deliberately chose to ignore it?

In a letter (29 September 2003) to Mrs Theato, Commissioner Patten stated that EuropeAid had no knowledge of irregularities and fraud in connection with CESD before July 2003.

Would the Commission explain how it is possible for EuropeAid not to have known about the problems surrounding CESD when the Eurostat audit department had established in two reports, in May and July 2001, that there had been irregularities, fraud and nepotism involving more than EUR 3 m. The problems were so serious that both reports were forwarded to OLAF in November 2001.

Would the Commission explain how it is possible that the Commission's early-warning database had no entry on CESD?

Would the Commission say whether it is standard practice for a directorate-general to enter into new contracts with a firm which has been swindling another directorate-general on a large scale, or whether rules have been broken?