



OLAF Supervisory Committee

Opinion No 3/2008

OLAF's Preliminary Draft Budget for 2009

Brussels, 2 April 2008



OLAF Supervisory Committee

At its meetings of 1st and 2nd April, the OLAF Supervisory Committee (SC) discussed OLAF's Preliminary Draft Budget for 2009 and adopted the following opinion.

I. Allocation and management of OLAF's human resources

With regard to the question of temporary staff, the SC welcomes a number of positive developments in 2007 and early 2008, particularly the granting of an extension for an unlimited period for temporary staff and the publication of open competitions in the area of anti-fraud prevention. These developments could not have taken place without OLAF's active and persistent involvement with the aim of improving the situation of its temporary staff.

The SC also notes that the number of vacant posts has been declining since early 2007. This is a positive trend and will enhance OLAF's capacity to carry out its activities effectively. In this context, the SC would like special attention to be given to a large number of management posts which have been occupied by 'acting' personnel for a considerable period. Of eight units in the two investigations Directorates, only one currently has a permanent head of unit. In the SC's view, this issue should be urgently resolved by the management to ensure continuity of work and provide some safety for managers.

Since 1999 the number of OLAF staff has considerably increased, and currently stands at close to 400. The SC is concerned that sufficient measures on human resources management have still not been taken to date. This weakness was pointed out in the SC's Opinion No 2/2007 on OLAF's 2008 budget and in a number of discussions with OLAF representatives in 2007. The SC can only reiterate the urgency of putting in place a human resources strategy, which aims to ensure that human resources are fully suited to the needs of the organisation and its priorities. The strategy could address, inter alia, the working relations with DG Admin, recruitment, training, in-house mobility, and career development of both permanent and temporary staff.

In the SC's view, a well-defined human resources strategy would enable OLAF to improve the efficiency and effectiveness of investigations, to maximise the use of existing resources in the investigation area and to better manage the workload in the investigation teams. As part of the human resources strategy the SC particularly wishes to emphasise the importance of finding a practical solution to improving the cooperation between OLAF and DG Admin in human resources management, development of temporary staff (promotions) and in putting in place adequate, continuous training for investigators.

For the 2009 Budget, OLAF is requesting an additional two AD posts, which would be allocated to operational Directorates A and B as stated by OLAF's Director General on 2nd April 2008 in the meeting of the SC. The SC fully supports strengthening OLAF's investigative function, enabling OLAF to shorten delays and increase the efficiency of investigations in priority areas, thus better responding to the needs of its stakeholders.



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On the basis of the examination carried out by the Supervisory Committee of the 295 OLAF reports of investigations that have been in progress for more than nine months covering the years 2006 and 2007, about 55% of investigations have not been completed due to either “lack of resources” or “the volume of the investigative work meant that more time was needed”. This analysis indicates that the investigation teams need to be reinforced in order to cope with their workload.

Furthermore, regarding the allocation of resources between different OLAF activities, the SC conducted a review which indicates that in the last few years more resources have been allocated to Office support activities rather than to core investigation work in Directorates A and B. The SC is concerned about this development since it weakens the Office’s capacity to carry out investigations in an efficient, effective and timely manner and because it will draw OLAF away from its core mission. Based on numerous presentations given by OLAF to the SC in 2006 and 2007, it is not clear whether many tasks currently carried out by the Office, such as the follow-up activities (particularly the financial follow-up) and management of Community programmes, are part of OLAF’s core mission and whether OLAF is indeed best placed to deal with them.

In the case of management of Programmes Hercule II and Pericles (€ 20 million) the SC is concerned with regard to the potential conflict of interest that could arise were there to be misuse of funds and an investigation opened. In the SC’s view, OLAF should not manage any Community expenditure programmes.

In summary, the SC believes that OLAF’s resources have been randomly distributed and there is an imbalance between allocated resources of operational and non-operational work. From now on OLAF’s management should give a clear priority only to investigations which, in practice, require the allocation of further existing as well as future resources to core investigation work. The non-operational activities currently carried out by the Office should not be a priority in resource allocation and consideration should be given as to whether some of the activities are OLAF’s responsibility in the first place.

Recommendations:

The SC supports OLAF’s requests to allocate two AD posts for investigation Directorates A and B.

OLAF to draft a human resources strategy based on needs assessment to address short- and medium-term human resources matters.

OLAF to publish the vacant posts of Heads of Units of Directorates A and B as soon as possible.

The SC encourages OLAF management to allocate resources to areas of high priority investigation work and particularly to areas where workload is high. Furthermore, the needs for additional resources for non-operational activities should be critically evaluated.



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II. The Secretariat of the SC

The SC has undertaken a needs assessment concerning its Secretariat staff. As a result the SC requests OLAF to make provision in the 2009 Budget for a complement of eight Secretariat staff using the “footnote” or other appropriate method to earmark these posts specifically for the Secretariat.

In the past, the post of the Head of SC Secretariat was graded at Director level. The SC requests that consideration should be given regarding the appointment of the Head of Secretariat post to Director, with the express agreement of the SC in order to ensure that the person who is chosen best fulfils the needs and requirements of the SC contributing to the performance of its duties and to its independence. As the SC stressed in its activity report, the independence of the Committee is a key factor in safeguarding OLAF’s own independence.

Recommendations:

OLAF to earmark eight staff members for the Secretariat.

The post of the Head of the Supervisory Committee Secretariat to be at Director level. Appointment should be made with the express agreement of the Supervisory Committee, thus ensuring the full independence of the SC in the performance of its duties.

III. Conclusion

The SC supports OLAF’s budget proposal for 2009 with the proviso that the above recommendations be taken into consideration.