

Kosovo: Reprieve for Italian Fraud Squad

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UNMIK chief gives assurance that anti-corruption police will survive.

The outgoing United Nations administrator for Kosovo, Michael Steiner, has pledged that the Italian police squad looking into corruption in the province will stay on, despite short-term funding problems.

The Financial Investigation Unit, FIU - staffed by Italy's financial police, the Guardia di Finanza - was seen as Steiner's personal project, and now that he is leaving, there have been questions about how long it will survive him.

Steiner, whose term as head of the United Nations Interim Administration Mission in Kosovo, UNMIK, finishes this week, used a July 1 press conference to try to end media speculation that the FIU might be cut if Italy fails to provide funding.

"If the Italian government is unable to fund the Guardia di Finanza officers' salaries, I will use money from my contingency fund to cover them," he said.

Set up in January, the FIU has been looking into the misuse of public money in Kosovo. The squad was drawn from the Guardia di Finanza because of the latter's reputation for pursuing organised crime groups in Italy. It enjoys special status within UNMIK, operating independently from the international police force and answering directly to Steiner's office. UNMIK has picked up its running costs so far but wants Italy to pay the policemen's salaries from the end of July.

Steiner - who was personally involved in establishing FIU - stressed that although innovative, the unit was not just an experiment but formed an integral part of the strategy for policing the province.

"We worked hard to bring the Italians to Kosovo," he said. "In fact I consider Guardia di Finanza my baby."

Although there is less violent crime in Kosovo than in the immediate period following the 1999 conflict, organised crime and institutional corruption remain major worries.

There has been some concern that the funding crisis might be a good excuse to allow the FIU to disappear, because its task of digging up corruption will have won it few friends.

One of several cases investigated by the FIU involves the publicly-owned Post and Telecommunications of Kosovo, alleged to have engaged in irregular contract bidding and other irregularities. On June 10, the company's director general, Leme Xhema, was suspended as a result of the investigation.

Agron Bajrami, deputy chief editor for the daily Koha Ditore, is sceptical that the Italian police will be allowed to remain in Kosovo, despite Steiner's endorsement.

"I will not be convinced that Steiner will stay true to his word until I see this deal completed," he told IWPR.

"Whatever happens, this whole affair shows that there are some within UNMIK who are not so enthusiastic about having Guardia di Finanza remain in Kosovo, because they are not interested in having corruption within the public services uncovered."

Bajrami has used his regular column in Koha Ditore to urge Kosovo's government to pay the fraud squad's salaries out of its own budget if the Italian government and UNMIK cannot reach agreement.

Others, including UNMIK officials, say the uncertainty surrounding FIU is simply a product of it being a new organisation.

A senior UNMIK official who asked to remain anonymous told IWPR that the FIU had been treated as something of an experiment when it started up, so that it initially had problems getting access to UNMIK resources including such basic but important things as identification cards for its officers.

"If Guardia di Finanza was someone's baby, why couldn't they be supplied with UNMIK identification cards for more than a month when they arrived here?" said the official.

He said that until they got ID cards the FIU officers could not operate as police. They could not carry weapons or drive cars - or even use the telephones at UNMIK offices.

Nick Booth, senior advisor to the head of UNMIK's police and justice department, defended the UN, saying it was not surprising that a new team with unusual status had encountered administrative difficulties in setting itself up.

"I am aware it took time to sort out, but there are new procedures needed to set up for gratis personnel like the Guardia di Finanza, who came to Kosovo under a special arrangement," said Booth.

The difficulties have been compounded by the fact that UNMIK appears to have been late in approaching Italy for more money to pay the police's wages. Pascuali Salzano, head of Italy's liaison office in Kosovo, told IWPR that the first his government knew about the need for extra funding was when UN officials submitted a request on May 30, two months before the current arrangement expired.

"Like with any government, it will take some time for us to look into emergency channels through which we can secure the funding for the team," said Salzano.

FIU chief Sebastiano Cipriano refused to talk about the negotiations around who was going to pay his officers. "I leave that to the diplomats," he said. "I'm here to investigate corruption in public funds."

Nevertheless, local observers concerned at the level of corruption in the province will be watching closely to see whether Steiner's successor adopts this particular baby.

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