

Financial audit performed in relation with two grant agreements funded under the 7th Framework Programme

Case opened

Case 286/2011/RT - **Opened on** 03/03/2011 - **Decision on** 02/05/2012 - **Institution concerned** European Commission (No maladministration found) |

Allegation(s)

- 1) The Commission failed to reply to the complainant's argument that the audit wrongly applied the 2010 Financial Guidelines retroactively, instead of the 2007 Financial Guidelines, which were in force at the time when the two grant agreements were negotiated.
- 2) The Commission acted unfairly by failing to respect the complainant's right to be heard in relation to the audit's findings.
- 3) The Commission failed to respect the principle of sincere cooperation and mutual trust because it (i) used the principle of extrapolation, which is not provided for in the Financial Guidelines and (ii) failed properly to monitor the implementation of the two projects and to ask for clarifications at the time when the complainant submitted its cost statements.
- 4) The Commission abused its power by implementing an audit policy, which is not tailored to the structure and needs of SMEs.

Claim(s)

- 1) The Commission should grant the complainant the right to be heard and to challenge the findings of the audit report.
- 2) The Commission should apply the 2007 Financial Guidelines and adjust the conclusions of the audit report accordingly.
- 3) The Commission should not apply the principle of extrapolation and should adopt an attitude of cooperation and trust towards the complainant.

