

Decision in case 1811/2019/AMF on the decision of the Education, Audiovisual and Culture Executive Agency to recover money from an EU-funded cultural project

Decision

Case 1811/2019/AMF - **Opened on** 25/10/2019 - **Decision on** 25/10/2019 - **Institution concerned** European Education and Culture Executive Agency (No maladministration found)

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The interactions between the Education, Audiovisual and Culture Executive Agency and the complainant

1. The complainant is the beneficiary of a project funded by the EU under the Culture Programme 2007-2013 [1] .
2. According to the provisions of the Grant Agreement for the project, “ *the action and the period of eligibility of costs shall begin on 01-11-2010 [...] and shall end on 31-10-2012* [2] ”. The Grant Agreement also established that the complainant had to submit a final report to the Education, Audiovisual and Culture Executive Agency (EACEA) by the end of June 2013. After several reminders from EACEA, the complainant submitted the final report in March 2014. EACEA rejected the report as not meeting the requirements set out in the Grant Agreement [3] .
3. The complainant sent EACEA two revised versions of the final report in 2014 and 2015. EACEA rejected also these reports as not meeting the requirements of the Grant Agreement. The complainant then asked EACEA for several extensions of the deadline to submit yet another revised version of the final report.
4. In August 2016, EACEA informed the complainant that the final report was incomplete. EACEA invited the complainant to submit its observations. The complainant submitted new documents to EACEA in October 2016. EACEA informed the complainant that the documents still did not comply with the requirements of the Grant Agreement.
5. In June 2018, EACEA informed the complainant of its intention to recover the money that had been paid to the complainant as pre-financing of the project (EUR 113.400). The complainant subsequently submitted new documents to EACEA in July, August, and September 2016.



6. In July 2019, EACEA informed the complainant that the new documents still did not comply with the requirements of the Grant Agreement. According to EACEA, the budget of the project was not balanced and the project did not meet the eligibility requirements to receive funding under the Culture Programme 2007-2013 [4] . EACEA stated that it had given the complainant “exceptional” opportunities to complete the project. EACEA therefore confirmed its decision to recover EUR 113.400.

7. The complainant considered EACEA’s recovery decision to be unfair and therefore turned to the Ombudsman. The complainant acknowledges that part of the project was not implemented and it regrets not having been able to produce a better final report. The complainant did not receive funding also from other sources, as it had expected. The complainant argues, however, that a substantial part of the project was delivered and that all the funds were used in line with the purpose of the project and on eligible activities that took place during the period 2010-2013. The complainant thus considers that EACEA did not take into account the content and context of the project.

The European Ombudsman's findings

8. The Grant Agreement governing the project states that EACEA “[...] *may decide to terminate the agreement [...] if one or more beneficiaries fail(s) to fulfil a substantial obligation incumbent on him (them) under the terms of the agreement [5] .*” It shall also “ *recover any amount, if its use is not substantiated by the technical implementation reports and financial statements approved by the Agency* ” [6] .

9. The complainant acknowledges that it failed to provide EACEA with a complete final report on the implementation of the project. The complainant has thus not complied with its obligations under the Grant Agreement.

10. Regarding the complainant’s argument that EACEA should have taken into account the context in which the project was implemented, that is, the difficulties encountered, EACEA clearly did so by granting the complainant numerous extensions of the deadline for submitting the final report. Regarding the complainant’s argument that EACEA did not take into account the content of the project, the complainant has acknowledged itself that the project was not fully implemented. In addition, given that the complainant did not submit a complete final report, EACEA could not verify that the funding had been used in line with the purpose of the project and on eligible activities, as argued by the complainant.

11. On the basis of the above, EACEA was obliged to recover the pre-financing paid to the project.

12. Based on the information provided by the complainant, the Ombudsman therefore finds no maladministration in this case. [7]



Tina Nilsson

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Strasbourg, 25/10/2019

[1] The Culture programme was an initiative that ran from 2007-2013 with a budget of EUR 400 million to support projects and activities designed to protect and promote cultural diversity and heritage. See:

https://ec.europa.eu/programmes/creative-europe/previous-programme/culture_en [Link]

[2] In accordance with article I.2.2 of the Grant Agreement.

[3] In accordance with articles II.15.4 and II.16.2 of the Grant Agreement.

[4] According to EACEA, (i) the project did not involve the coordinator and a minimum of two co-organisers; (ii) The project did not involve sufficient cultural cooperation with the third Countries participating in the project; (iii) the partners did not contribute financially to the project; (iv) the Coordinator had not distributed the pre-financing grant among the project partners; and (v) the main output of the project was produced late.

[5] See article II.11.3 of the Grant Agreement.

[6] See article II.11.5 of the Grant Agreement.

[7] This complaint has been dealt with under delegated case handling, in accordance with Article 11 of the [Decision of the European Ombudsman adopting Implementing Provisions](#) [Link]