

Ombudsman helps settle late payment case and suggests that the Commission consider paying interest

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The European Ombudsman, **P. Nikiforos Diamandouros**, has helped to settle a case of late payment for a small German company, which waited up to eleven months for payment, sending seven reminders to the European Commission. Pointing out that small and medium-sized companies are particularly vulnerable to the effects of delays in payment, the Ombudsman also invited the Commission to consider paying interest to the company.

The complaint

The complainant, the managing director of a small German company specialising in IT electronics, alleged that the Commission had failed to make any payment in respect of four invoices submitted to it in 2003. According to the complainant, the total amount due was EUR 17 437. He asked for the Ombudsman's help in obtaining the payments that were due so as to avoid the need to dismiss staff and further damage to his company.

The Commission explained that due to technical changes to budgetary procedures resulting from the application of the new Financial Regulation, it had unfortunately not been possible to finalise the processing of the complainant's invoices within the 60-day period that is foreseen for this purpose. Following the reorganisation of the department and the establishment of a financial unit, matters had now been reviewed. The four invoices had been paid at the end of February 2004. The Commission therefore concluded that the complaint was no longer relevant.

While the complainant informed the Ombudsman that he considered the case as having been settled, the Ombudsman took the view that the Commission could do better and invited it to consider the possibility of paying interest to the company.

The decision can be found on the Ombudsman's website at:

<http://www.ombudsman.europa.eu/decision/en/040435.htm> [Link]

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