

Decision of the European Ombudsman on complaint 284/2005/(PB)WP against the European Commission

Decision

Case 284/2005/(PB)WP - Opened on 23/02/2005 - Decision on 15/11/2005

Strasbourg, 15 November 2005

Dear Mr K.,

On 25 January 2005, you made a complaint to the European Ombudsman against the European Commission concerning delays with regard to two payments to Saxon local councils that had participated in the European Union's Town Twinning Programme.

On 23 February 2005, I forwarded your complaint to the President of the European Commission.

On 22 March 2005, you informed me that the two payments in question had been made by the Commission.

The Commission sent its opinion on 5 July 2005. I forwarded it to you on 6 July 2005 with an invitation to make observations.

On 7 July 2005, you informed me by e-mail that you did not wish to make any observations and thanked me for my work. In a telephone conversation on 19 September 2005, with the legal officer in charge of your case, Mr Peter Bonnor, you confirmed that you considered your complaint to be settled.

Please note that, for reasons related to the internal organisation of my office's workload, your complaint was transferred to another legal officer, Ms Wiebke Pankauke, on 13 October 2005.

I am writing now to let you know the results of the inquiries that have been made.

THE COMPLAINT

The complainant is the head of the *Europabüro der Sächsischen Kommunen* (EU Liaison Office of Saxon local councils). He alleged that there was a recurrent problem with late payments in the framework of the European Union's Town Twinning Programme. He gave two concrete



examples of this:

(1) On 11 August 2004, the local council *Mittweida* in Saxony submitted the required documents for the final assessment of a twinning project (reference 04/1202) to Unit 2 of Directorate D of the Commission's Directorate General Education and Culture.

(2) On 31 August 2004, the *Freundeskreis der Städte Königstein* submitted the required documents for the final assessment of another twinning project (reference 04/1552) to Unit 2 of Directorate D of the Commission's Directorate General Education and Culture.

In both cases, the complainant reported that no payment had been received from the Commission at the date of submission of the complaint. He stated that he recognised that the staff of the responsible Commission unit was highly motivated and committed and that he fully appreciated the fact that the Commission was currently modernising its accounting system. However, he emphasised that smaller local councils were often dependent on timely payments. He added that the positive image of the European Union created through the Town Twinning Programme was damaged through the delay in payments.

The complainant reported that he had contacted Unit 2 of Directorate D of the Commission's Directorate General Education and Culture several times, but that he had not been given any information as regards when the payments would be made.

The complainant's allegations and claims were as follows:

- The Commission failed to make payments to the beneficiaries in the twinning projects 04/1202 and 04/1552;
- The Commission regularly failed to make payments within a reasonable time to Saxon beneficiaries in twinning projects;
- The complainant claimed that he should be informed when the Commission would pay the beneficiaries in the twinning projects 04/1202 and 04/1552; and
- The complainant claimed that he should be informed what measures the Commission would be taking to prevent excessive payment delays in the future.

THE INQUIRY

On 23 February 2005, the Ombudsman forwarded the complaint to the European Commission.

On 22 March 2005, the complainant informed the Ombudsman that the two payments in question had been made by the Commission and that in one of the cases the head of the Commission's Town Twinning Unit had telephoned the responsible person at the local council and had explained the situation, which was very much appreciated. The complainant stated that he was now waiting eagerly for the Commission's reply as to what measures it would be taking to prevent delays in the future.

The Commission's opinion

In its opinion, the Commission explained that (a) a substantial increase in the number of



projects selected by the Commission due to a budget increase of more than 40% over a period of four years; (b) the requirements of the new Financial Regulation; and (c) the implementation of a new accounting system had had adverse consequences on the financial operations in this sector and had, in some cases, made it impossible to respect the deadlines. In view of the heavy workload, it had sometimes been difficult to indicate the anticipated date of payment when beneficiaries had contacted the Commission. However, the beneficiary *Freundeskreis der Städte Königstein* had been informed on 20 December 2004 that the payment might be delayed.

The Commission stated that it had taken measures to amend the situation and to catch up with the delays. The sector had temporarily been supplied with additional staff. Guidelines had been produced to enable applicants to comply better with the requirements of the new accounting system. Furthermore, the Commission was working on possibilities to simplify the application procedure and on a website to improve the information available to applicants.

The Commission also referred to the establishment of the Education, Audiovisual and Culture Executive Agency, which was scheduled to take over the operational administration of the Town Twinning Programme in early 2006.

The Commission concluded that these measures should significantly improve the situation. It stated that it regretted the delay in its payments and that it had already sent a letter of apology to the complainant. The Commission attached this letter and proof of the payments.

The complainant's comments

After having received the Commission's opinion and the Ombudsman's invitation to make observations, the complainant informed the Ombudsman that he did not wish to make any observations and thanked him for his work. On 19 September 2005, he confirmed by telephone that he considered his complaint to be settled.

THE DECISION

1 Late payments

1.1 In his complaint to the Ombudsman, lodged on 25 January 2005, the complainant alleged that the Commission had failed to make payments to the beneficiaries in town twinning projects 04/1202 and 04/1552. The complainant further alleged that the Commission regularly failed to make payments within a reasonable time to Saxon beneficiaries in town twinning projects.

The complainant claimed that he should be informed when the Commission would pay the beneficiaries and what measures the Commission would be taking to prevent excessive payment delays in the future.

1.2 In its opinion, the Commission explained that (a) a substantial increase in the number of projects selected by the Commission due to a budget increase of more than 40% over a period of four years; (b) the requirements of the new Financial Regulation; and (c) the implementation of a new accounting system had had adverse consequences on the financial operations in this sector and had made it impossible in some cases to respect the deadlines. In view of the heavy workload it had sometimes been difficult to indicate the anticipated date of payment when



beneficiaries had contacted the Commission.

The Commission stated that it had taken measures to amend the situation and to catch up with the delays. The sector had temporarily been supplied with additional staff. Guidelines had been produced to enable applicants to comply better with the requirements of the new accounting system. Furthermore, the Commission was working on possibilities to simplify the application procedure and on a website to improve the information available to applicants.

The Commission also referred to the establishment of the Education, Audiovisual and Culture Executive Agency, which was scheduled to take over the operational administration of the Town Twinning Programme in early 2006.

The Commission concluded that these measures should significantly improve the situation. It stated that it regretted the delay in its payments and that it had already sent a letter of apology to the complainant.

1.3 On 7 July 2005, the complainant stated by e-mail that he did not wish to make any observations and thanked the Ombudsman for his work. On 19 September 2005, he informed the Ombudsman that he considered his complaint to be settled.

2 Conclusion

It appears from the Commission's opinion and the complainant's comments that the Commission has taken steps to settle the matter and has thereby satisfied the complainant. The Ombudsman therefore closes the case.

The President of the European Commission will be informed about this decision.

Yours sincerely,

P. Nikiforos DIAMANDOUROS