

## **Ombudsman solves payment dispute between Commission and Austrian university**

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After the intervention of the European Ombudsman, **P. Nikiforos Diamandouros**, the European Commission settled a payment dispute with the Vienna University of Technology. This follows a complaint from the University claiming that the Commission failed to pay an outstanding sum of 97 000 EUR for a research and development contract in the field of chemical engineering.

To justify its refusal to pay, the Commission explained that the complainant did not submit the final cost statements on time. The Ombudsman took the view that it was disproportionate to impose a penalty of 97 000 EUR for the delay. He thus asked the Commission to reconsider its position. The Commission agreed to pay 54 000 EUR to settle the matter. The University accepted the proposal and thanked the Ombudsman for his intervention.

### **Background**

In 1996, the Vienna University of Technology signed a research contract with the European Commission in the field of chemical engineering. The total expenditure for the project amounted to 127 000 EUR.

According to the University, the final scientific and financial reports for the project were sent to the Commission in October 2001. Two years later, the Commission wrote to the University and gave it one month to submit "missing cost statements". As the University did not comply, the Commission closed the file. As a result, the University lost 97 000 EUR.

The University tried for two years to get the Commission to change its mind. When this proved unsuccessful, it turned to the Ombudsman (in December 2006). The Ombudsman opened an investigation and found that the Commission's position was disproportionate. In a proposal for a friendly solution he asked the Commission to reconsider its position.

The Commission agreed to settle the matter by paying 54 000 EUR. The University accepted the proposal. It thanked the Ombudsman for his friendly solution proposal.

To read the full decision, please go to:



<http://www.ombudsman.europa.eu/decision/en/063784.htm> [Link]