

Comments of the Commission on a request for further information from the European Ombudsman
- Own-initiative inquiry, ref. OI/11/2015/EIS

1. Background

In June 2015 the Ombudsman launched a new own-initiative inquiry on the *timeliness of payments made by the Commission under direct and indirect management modes*, with the above reference, asking to be informed of the results of the steps taken to identify and deal with the causes of delays in making payments to contractors and to beneficiaries of grants and subsidies. The Ombudsman requested in particular to obtain information for 2014, on the number and percentage of cases where delays in payment occurred, on the extent of the delays that occurred, on the sums involved and on the cases where interest was paid on account of late payment.

In its reply of 30 September 2015 the Commission provided the requested information and identified as main causes of the increased late payment averages for 2014, the shortage of payment appropriations and the reduction of payment deadlines introduced since the beginning of 2013 with the entry into force of the new Financial Regulation.

On 5 February 2016 the Ombudsman requested supplementary information that would allow for a more useful pursuit of the inquiry, on the following topics:

Time-limits for payments

- the number and value of late payments which were due to the shortage of payment appropriations in 2014 and 2015;
- the number and value of late payments in 2014 and 2015 attributable to other factors, including possible maladministration;
- the measures taken to ensure that SMEs and other financially fragile recipients were given priority for late payments resulting from the shortage of payment appropriations in 2014;
- the reasons identified and improvement actions taken by the Commission for late payments attributable to other factors, such as possible cases of maladministration; and
- statistical data for 2015 in the same format as that already provided for 2014 and 2013.

Suspended Payments

- the main grounds leading to suspensions of payments; and
- the measures taken to address the comparatively higher levels of such suspensions in the case of DG DEVCO, DG RTD, DG JUST and DG REGIO.

Default interest

- the actions taken by the Commission to ensure the implementation of Article 92(6) of the new Financial Regulation and Article 111(4) of the Rules of Application regarding default interest.

Inspection of files

The Ombudsman has also requested for the necessary arrangements that would enable the inspections of the files relating to the following cases:

- the three cases with the longest delays in payment to non-public recipients in 2014;
- the three cases where the highest amount of interest was paid to private recipients in 2014;
- the three cases with the highest number of successive suspensions in 2014;
- three cases concerning late payments to SMEs; and
- three cases that the Commission considers as exemplary.

The information requested by the Ombudsman is set out in section 2 below and the annexes that follow.

2. Reply from the Commission

2.1. Time-limits for payments

2.1.1. *Number and value of late payments*

The table below provides an overview of the number and value of late payments in 2015 and 2014 along with a comparative analysis between the two years.

Table A: Analysis of the number and value of late payments under direct and indirect management modes.

	2015	2014	%Δ 2015/2014
Total number of payments	379.220	373.680	1,5%
Number of late payments:	67.805	74.439	-8,9%
- due to the lack of payment appropriations	895	1.851	-51,6%
- due to other factors	66.910	72.588	-7,8%
Number of late payments as % of the number of all payments	17,9%	19,9%	
Number of late payments due to the lack of payment appropriations:			
- as % of the number of all payments	0,2%	0,5%	
- as % of the number of all late payments	1,3%	2,5%	
Number of late payments due to other factors:			
- as % of the number of all payments	17,6%	19,4%	
- as % of the number of all late payments	98,7%	97,5%	
Total value of payments (in EUR million)	26.667	22.454	18,8%
Value of late payments:	2.472	2.904	-14,9%
- due to the lack of payment appropriations	575	755	-23,8%
- due to other factors	1.897	2.150	-11,8%
Value of late payments as % of the value of all payments	9,3%	12,9%	
Value of late payments due to the lack of payment appropriations:			
- as % of the value of all payments	2,2%	3,4%	
- as % of the value of all late payments	23,3%	26,0%	
Value of late payments due to other factors:			
- as % of the value of all payments	7,1%	9,6%	
- as % of the value of all late payments	76,7%	74,0%	

Source: ABAC Datawarehouse

The number of late payments in 2015:

- has decreased by 8,9% compared to 2014;
- due to the lack of payment appropriations, has decreased by 51,6% compared to 2014;

- due to factors other than the lack of payment appropriations, has decreased by 7,8% compared to 2014.

The value of late payments in 2015:

- has decreased by 14,9% compared to 2014;
- due to the lack of payment appropriations, has decreased by 23,8% compared to 2014;
- due to factors other than the lack of payment appropriations, has decreased by 11,8% compared to 2014.

A more detailed and qualitative analysis of late payments in 2014 and 2015 is provided in further on in section 2.1.3. of this opinion.

2.1.2. Measures taken to ensure payments to SMEs and other financially fragile recipients were given priority given the lack of payment appropriations in 2014

In view of the shortage of payment appropriations in 2014 the following priorities or combinations of them were set by different Commission services:

- payment claims from more fragile entities with greater economic exposure running a risk of insolvency in case of payment delays (like NGOs, small private companies and individuals) were given priority over payment claims from big private companies, International Organisations and Member State agencies;
- payment claims to consortia with SME participation were given priority (with as low as 15% participation in some cases);
- payments to lower priority beneficiaries were kept on hold despite the availability of appropriations in order to have a reserve for dealing with high priority payments to fragile beneficiaries (giving apparently rise to payment delays towards low priority beneficiaries);
- priority was given to a larger number of smaller payments claims mainly originating from SMEs and other fragile beneficiaries instead of fewer larger payments mainly originating from low priority beneficiaries;
- payment claims relating to more politically sensitive projects or beneficiaries were given priority.

In order to ensure the availability of payment appropriations essential for minimising or avoiding delays in payments to more fragile beneficiaries, measures taken by Commission services are described below:

- delayed calls for proposals, start dates of projects, signature of legal commitments/grant agreements;
- delayed or decreased the level of pre-financing payments or advances or split them in instalments;
- postponed lower priority payments or made partial payments;
- active management of available payment appropriations through continuous transfers to budget lines where appropriations were urgently needed in order to avoid leaving idle appropriations on budget lines where urgency was lower;
- postponed final payments in order to deal with urgent new needs;
- requested the extension of the validity of offers to calls for tenders;
- accelerated recoveries (assigned revenue) in order to increase available appropriations.

2.1.3. Reasons identified and improvement actions taken by the Commission for late payments attributable to factors other than the lack of payment appropriations

The main reasons other than the lack of payment appropriations to which payment delays can be attributed are provided below:

- the reduction of payment time limits with the entry into force of the new Financial Regulation in 2013;
- increasing numbers of payments and uneven distribution during the year combined with shrinking staff levels;
- lengthy procedures for handling payments to experts;
- delayed submission of supporting documentation by beneficiaries;
- the delay in payments have minimal or no impact on the recipient.

The number of late payments in 2014 that could be attributed to the reasons above has been 72.588 and the corresponding value EUR 2.150 million. Despite the increase in the total number and value of payments made in 2015 the number of late payments due to factors other than the lack of payment appropriations has decreased by 7,8% to 66.910 and the corresponding value has decreased by 11,8% to EUR 1.897 million.

The increasing number of payment claims along with the reduction of payment time limits since the beginning of 2013 and the decreasing levels of staff necessitated the modification of local financial and administrative procedures in order to address the increasing workload and to bring the number of late payments back to decreasing trend. Measures taken by Commission services in this regard have been:

- the centralisation of the registration of invoices allowing for faster registration, more efficient attribution, the avoidance of encoding errors and more time for their actual processing and timely suspension (if required);
- the shift from a sequential analysis of final reports by operational and financial agents to a parallel analysis with the same deadline and with only one (if necessary) request for complementary information;
- the development of on line tools for the submission of payment claims and the necessary supporting documentation, thus ensuring that claimants of payments take their share of the responsibility;
- the establishment of monitoring mechanisms along with the development of reports identifying bottlenecks and causes of delays and the introduction of relevant key performance indicators (KPIs) that allow senior management to take corrective action;
- the raising and maintaining of awareness amongst operational and financial agents involved on payments on the importance of respecting payment deadlines;
- actions towards the more complete application of suspensions;
- for a large number of low value payments the financial processes were streamlined, financial circuits were centralised and in some cases a substantial part of these payments were transferred to Services that are specialised and more efficient in dealing with big numbers of payments;
- staff redeployments and hiring of interim staff during peak periods of low-value standardised payments.

Some of the measures described above are of a general nature and universal application whereas some of them are targeted to the improvement of the situation with regard to specific types of late payments. The typology of late payments along with the relevant weights in terms of numbers and value are provided in the table below allowing for a better insight and understanding of improvement actions taken by Commission services.

Table B: Typology of late payments

	2015		2014		Δ 2015/2014	
	number	%	number	%	number	%
Total number of payments	379.220	100	373.680	100	5.540	1,5
Number of late payments	67.805	17,9	74.439	19,9	-6.634	-8,9
Number of late payments by type of payment:	67.805	100	74.439	100		
- fees & reimbursements to experts	53.608	79,2	58.465	78,5	-4.857	- 8,3
- grants & procurement	10.061	14,8	12.261	16,5	-2.200	-17,9
- staff mission allowances	2.611	3,9	1.609	2,2	1.002	62,3
- other (e.g. payments among Services and to other EU institutions & bodies)	1.525	2,1	2.104	2,8	-579	-27,5
	EUR Million	%	EUR Million	%	EUR Million	%
Total value of payments	26.667	100	22.454	100	4.213	18,8
Value of late payments	2.472	9,3	2.904	12,9	-432	-14,9
Value of late payments by type of payment:	2.472	100	2.904	100		
- fees & reimbursements to experts	33	1,3	48	1,7	-15	-31,3
- grants & procurement	2.272	91,9	2.553	87,9	-281	-11,0
- staff mission allowances	1,2	0,05	0,8	0,03	0,4	50,0
- other (e.g. payments among Services and to other EU institutions & bodies)	166	6,7	302	10,4	-136	-45,0

Source: ABAC Datawarehouse

Late payments to experts are by far the biggest category of late payments in terms of numbers representing close to 80% of all late payments but only 1,5% in terms of value as they are generally low-value payments averaging less than EUR 1.000. In general, these payments are not affected by the lack of payment appropriations. There two types of payments to experts the procedures for which are described below along with the corresponding causes of delay and improvement actions taken by Commission services.

Payments to evaluation experts, monitoring experts and reviewers for their fees, allowances and expenses are not made against an invoice or payment claim submitted by the expert but through the creation of an internal document and are conditional on the expert having performed the tasks in accordance with his contract and having submitted the necessary supporting documentation. These types of experts mainly concern research programmes; the burdensome procedure associated with the receipt and approval of the relevant and supporting documentation for the payment to be made has been a significant source of late payments.

In 2014 research services in the Commission have developed and put in place an electronic exchange system (EMI) which is used for the submission of payments claims from experts for

their fees, allowances and expenses. Through this system the weight of responsibility for the submission of the supporting documentation is with the expert and provided the deliverables and supporting documents meet the contractual requirements the corresponding payment can be made. It took some time for experts to become acquainted with the new system and results only became evident in 2015 suggesting a 60% decrease of late payments to the specific types of experts.

Payments to policy and advisory group experts do not involve a fee and are limited to allowances and expenses but they are much more numerous. The usual way of dealing with such payments from the responsible service is to collect the supporting documentation and once the file with the relevant documentation from all participants in a specific meeting is complete it is forwarded to the PMO for the corresponding payments to be made with the due date being 30 days after the date of the meeting. A substantial number of experts originate from public bodies from which they usually receive an advance payment for their expenses and the payment from the Commission is made to the service of origin of the expert. Meanwhile, the absence of a sense of urgency from public sector experts to submit the supporting documentation swiftly, for the payments to proceed, creates unnecessary delays with an impact on experts that participate as private individuals or originating from private bodies hence not receiving any advance payment. As a result of this procedure almost 80% of all payments to the specific type of experts ended up as a late payment.

In April 2015 DG EMPL has developed and put in place an on-line tool (AGM – Agora-Meetings) for the submission of payment claims for this type of experts and since May 2015 a pilot action has been launched with the use of this system by a number of other Commission services for a number of meetings. The observed average time to pay for payments made through the AGM has been well below the corresponding time limit and in just 6 months there has been an observed decrease of the specific type of late payments by more than 3%.

The observed decrease of late payments to experts in 2015 by 4.857 payments (-8,3%) compared to 2014 is mainly due to this combined effort and as the intention is to establish AGM as a corporate tool for all Commission services by the end of 2017, further decreases of late payments to experts are to be expected.

Late **payments for grants and procurement invoices** together are the second biggest category of late payments in terms of numbers representing 16,4% of all late payments in 2014 and 14,8% in 2015. However, in terms of value this type of late payments corresponded to 87,9% of the value of all payments in 2014 and 91,9% in 2015. Almost all late payments due to the lack of payment appropriations, in terms of value, fall under this category of late payments (98% in 2014 and 99% in 2015). From 2014 to 2015 there has been a decrease by 17,4% of these late payments only a small part of which was due to the improved availability of payment appropriations. These types of payments are characterised by complex technical and financial evaluations and are also the ones most affected by the lack of payment appropriations. The decrease observed in 2015 is partly due to the increased availability of payment appropriations but also to improvement actions linked with local procedures like:

- the shift from the sequential analysis of final reports by operational and financial agents to a parallel analysis with the same deadline and with only one (if necessary) request for complementary information are of particular importance for these types of payment;
- the correct and timely application of suspensions;
- the centralisation of the registration of invoices in the Services allowing for faster registration, more efficient attribution, the avoidance of encoding errors and more time for their actual processing and timely suspension (if required).

The third biggest category of late payments in terms of numbers are low-value **payments to staff of the institution for mission allowances**. Payment requests are submitted online through an electronic tool but the actual payment is most of the time conditional to the submission of a mission report by the member of staff concerned. In the meantime the payment request is not suspended as there is no provision for suspensions for payments to staff and if the payment is not made within 30 days, it appears as a late payment.

All other types of payments have been grouped together in a general category the biggest part of which concern payments among Commission services or to other EU institutions and bodies for services rendered, contributions to the operational budget of other EU bodies and late interest payments. These payments are either not subject to specific payment time limits, or time limits are indicative and have no negative impact on the recipient.

2.1.4. Statistical data for 2015

Performance indicators for 2015 are set out in the tables that follow along with the corresponding 2014 indicators for the sake of comparison.

Table 1: Average number of days to make a payment

	2015	2014
	All payments (direct and indirect management)	All payments (direct and indirect management)
Net payment time	24 days	28 days

Table 2: Late payments

	2015	2014
	Late payments (direct and indirect management)	Late payments (direct and indirect management)
Number of late payments	67.805	74.439
Value of late payments in EUR	2.471.888.543	2.904.375.709
Percentage of late payments in number	17,9%	19,9%
Percentage of late payments in value	9,3%	12,9%
Average delays for payments outside the Financial Regulation time limit	34,5 days	34,3 days

Table 3: Total interest paid on late payments in EUR and number of requests

	2015	2014
	Interest paid on late payments (direct and indirect management)	Interest paid on late payments (direct and indirect management)
Total amount of interest paid on account of late payment in EUR	2.064.949	3.027.124
<i>Of which amount paid upon request</i>	<i>1.076.028</i>	<i>1.378.827</i>
Number of requests for interest submitted by creditors on account of late payment	364	200

Source: ABAC Datawarehouse

2.2. Suspensions of payments

A suspension is a tool that allows the responsible authorising officer to withhold temporarily the execution of a payment because the amount is not due, because of the absence of appropriate supporting documentation or because there are doubts on the eligibility of the expenditure concerned. It is a basic tool for the authorising officer in the payment process towards avoiding irregular or erroneous payments and fundamental towards ensuring sound financial management and protecting the Union's financial interest.

2.2.1. Main grounds leading to suspensions of payments

The table that follows gives a detailed overview of the main grounds leading to the suspensions of payment claims along with their share for both 2014 and 2015.

Table C: Overview of grounds leading to suspensions of payments

Grounds leading to suspensions	2015		2014	
	number	(%)	number	(%)
Further Information Needed, missing document, corrections, amendment ongoing	24.149	91%	23.529	90%
Awaiting Credit Note	1.075	4%	1.267	5%
Retention / Performance guarantee according to Art 151.2 IR	653	2%	640	2%
Debt not due, not contractually foreseen, ineligible	464	2%	591	2%
Other grounds ...	170	< 1%	208	< 1%
Total number of suspensions	26.511	100%	26.235	100%

Source: ABAC Datawarehouse

Analysis of the breakdown of suspensions shows that the vast majority relates to **missing or insufficient documentation**. This topic mainly arises in the area of grants, where technical

and financial reports are by definition more complex than for procurement contracts. This is also the main reason for the uneven distribution of suspensions among Commission services. Services managing extensive operational programs implemented through grants will present a higher suspension rate than Services managing procurement contracts. The nature of grants (cost claims-based vs lump sum-based) is also a reason for differing levels of suspensions. It is important to note that payment claims are registered even if incomplete, followed by a suspension which is lifted once the missing information or document has been submitted by the beneficiary.

A suspension might relate to missing financial information but also to the technical implementation of the project. For the latter, Services are making an effort to strengthen their internal guidelines and to improve awareness of the beneficiaries on the information required. This will however only bear fruit in the medium and long run.

For financial shortcomings, Services have also been increasingly simplifying the contract and documentation requirements. An example could be the payment of lump sums for staff or expert travel expenses which would limit the need of submitting and checking timesheets or travel tickets.

It should also be noted that the closure of grant projects might lead to a reimbursement from the beneficiary when the amount received previously was too high (i.e. recovery order). This highlights the fact that not all invoices, especially in the grant area, result in a payment.

The suspension reason "**Awaiting credit note**" relates to procurement contracts; this is the defined procedure to correct or cancel a commercial invoice (i.e. related to procurement). Suspensions for a "debt not due" also arise in the procurement area, when the task invoiced does not correspond to the contractual provisions.

Retention and performance guarantee suspensions laid down in the legal base are limiting pre-financing and the reimbursement of cost claims to 90% of the maximum financial contribution while the project is running. If beneficiaries submit further cost claims, these cannot be processed and are consequently suspended until the final project closure when the remaining 10% will be released, if eligibility is confirmed. Practically the suspended amount is paid together with the final payment (two payment requests in the same payment order).

Other grounds for suspensions could be for example the bankruptcy of the beneficiary and up until the clarification of the legal situation with regard to the rightful owner of the amount to be paid, the payment is suspended.

2.2.2. Measures taken to address the comparatively higher levels of such suspensions in the case of DG DEVCO, DG RTD, DG JUST and DG REGIO

The financial regulation allows for the suspension of payment time limits for the purpose of verifying the eligibility of expenditure in a payment request. The level of suspensions applied by the different Commission services on an annual basis is directly related to the level of appropriations managed as well as the nature of operations. Suspensions mainly arise in the area of grants management where technical and financial reports are by definition more complex than for procurement contracts.

Commission services have taken a number of measures/actions towards the correct application of suspensions. Such measures/actions are described below:

- Improved guidance to applicants through handbooks, information days and kick off meetings, clearer instructions on how to present required information (provided standardised tables and templates) in order to help in improving the quality and to speed-up the submission of documents; internal workshops and issuance of guidance for operational and financial agents;
- Standardization of requests for supplementary information, specific to each type of cost;
- Introduction or more extensive use of lump sums and unit costs in order to simplify and speed-up the payment process.

DG DEVCO considers the suspension of payments as a tool for ensuring the avoidance of irregularities and the payment of ineligible expenditure thus safeguarding sound financial management. In order to ensure its correct application DEVCO has been issuing guidance for staff on the correct application of suspensions and the regular alignment of user manuals of its local financial system.

DG RTD has also issued guidance to staff on the application of suspensions calling for a more careful assessment of cases before applying suspensions and proposing concrete measures towards their reduction.

Recalling the 7th Framework Programme principles based on trust, additional information or documentation from beneficiaries is only requested where absolutely necessary and justified, excessive checks are avoided, partial payments are made where possible and more training is offered to project and financial officers. In addition, the whole process of submitting reports and cost statements was streamlined and rendered electronic along with systematic reminders aiming to a speedier process.

For Horizon 2020 the whole process of submission of reports and cost statements is completely electronic. Furthermore it is accompanied with an internal electronic workflow system, allowing Services to follow up more closely and to intervene more quickly in case of problems.

According to DG JUST, long suspended cost claims usually lead to recovery orders and are subject to further negotiations with beneficiaries without any impact on late payments. Actions taken towards the decrease of suspensions have been the closer monitoring through monthly reports and regular checks on suspended invoices with priority given on invoices reaching the deadline.

According to DG REGIO the largest part of suspensions is related to the necessity for additional information on the payment request required by contractors or beneficiaries. This is particularly the case for cost claims for grants. Due to the complexity of the files, the analysis of reports, correspondence with the beneficiaries and corrections or additional information requests is a common practise, followed by justified suspensions. A small number of suspensions relates to invoices to be annulled by credit notes without any impact on the amounts or deadlines of payments made.

2.3. Default interest

Commission services provide information on their compliance with the payment time limits foreseen in Article 92(1) of the Financial Regulation in an annex to their Annual Activity Reports (Table 6 of Annex 3 to the AAR). Despite the absence of an explicit requirement in the Financial Regulation (FR) or the Rules of Application (RAP) most Services that have paid

out late payment interest in a given year also make a reference to the amount concerned in the same annex.

RAP Article 111(5) stipulates that each institution shall submit to the European Parliament and Council a report on the compliance with the payment time limits laid down in FR Article 92, as an annex to the summary of the annual activity reports [of authorising officers by delegation] referred to in FR Article 66(9). Annex 5 to this summary (better known as the Synthesis report of the Commission's management achievements), provides an overview on the compliance with payment time limits and information on interest paid for late payments, again, despite the absence of any explicit requirement for that in the Financial Regulation or the Rules of Application.

The correct application of FR Article 92(6) and RAP Article 111(4) regarding default interest is ensured through an automated procedure undertaken by the financial transactional system of the Commission (ABAC workflow). Payment requests received from the Commission and registered in ABAC become payable within the time limits set by FR Article 92(1). If the payment is not suspended for any of the reasons mentioned in FR Article 92(2) upon the expiry of the time limits, interest begins to accrue and is calculated automatically by ABAC. At the time that an overdue payment is eventually authorised ABAC makes an automatic calculation of the accrued interest and if the amount exceeds EUR 200 it creates automatically a new invoice corresponding to the accrued interest and payable within 30 days which is sent automatically to the initiating agent of the original payment to be launched while the responsible authorising officer is notified. If the amount of the accrued interest is less than EUR 200 then it is not payable according to RAP Article 111(4). However, if the creditor requests the payment of that amount of late interest it gives rise to the creation of a new invoice which is linked to the late payment that gave rise to it and payable within 30 days.

During 2014 and in view of the shortage of payment appropriations Commission services have communicated/raised awareness to beneficiaries of the situation, ensuring them that the Commission will proceed with their payment as soon as possible and that in case of late payment they would be entitled to receive late payment interest. It is however important to note that 58% of recipients of late payments in 2014 were not eligible for late payment interest on the basis of FR Article 92(5).

2.4. Inspection of files

The following Annexes provide the details of the files identified for inspection at the request and criteria provided by the Ombudsman:

- Annex 1 - Cases with the longest delays in payment to non-public recipients in 2014;
- Annex 2 - Cases with the highest amount of interest paid to private recipients in 2014;
- Annex 3 - Cases with the highest number of successive suspensions in 2014;
- Annex 4 - Cases concerning late payments to SMEs;
- Annex 5 - Cases that the Commission considers as exemplary.

Cases with the longest delays in payment to non-public recipients in 2014

Pay Time Overdue Days	Pay wkfl org code	Account group	LE NAME	Inv Category	Pay Time Max	LC Local Key	Invoice Local Key	Invoice Type Code	Pay Local Key
320	ENTR	Private	SPACETEC CAPITAL PARTNERS GMBH*STCP	With Report Approval	45	SI2.125445.0-2	SI2.1238559	CC	SI2.3659930
331	ENV	Private	ANAPTIKSIAKI ANONYMOS ETERIA O.T.A	Single Time Limit	105	SI2.6878.0-2	SI2.1205378	CC	SI2.3560841
496	DEVCO	Private	THE SAVE THE CHILDREN FUND LBG*	With Report Approval	45	SCR.813.0-2	SCR.2012.018592	CC	SCR.4794740

Cases with the highest amount of interest paid to private recipients in 2014

Invoice Local Key	Central Appropriation Key	Pay Accepted Amount (Eur)	Pay Local Key	LE NAME	Account group
SI2.1370449	BGUE-B2014-32.025200-C1-ENER	489.507,39	SI2.3712850	ENDESA GENERACION SA*	Private
SI2.1304162	BGUE-B2014-23.020100-C1-ECHO	19.208,22	SI2.3578130	INTERNATIONAL RESCUE COMMITTEE UK*I	Private
SI2.1342064	BGUE-B2014-09.040201-C1-CNECT	15 597,86	SI2.3619221	REFER NV	Private

Cases with the highest number of successive suspensions in 2014

Pay wkfl org code	Suspension reason and period		ARES REF	LE NAME	Account group	Inv Category	Pay Suspe nsion Days	Pay Time Max	LC Local Key	Invoice Local Key	Invoice Type Code	Pay Local Key
DEVCO	Miscellaneous (to specify)	25 days	-	URBAN BUILDERS GROUP LIMITED*UBG	Private	No Report	1206	45	SCR.LCM.230451.01-2	SCR.2010.039705	CI	SCR.4798772
	Retention / Performance guarantee according to Art 151.2 IR	1.181 days										
RTD	Further Information Needed, missing document, corrections, amendment ongoing	560 days 152 days	Ares(2012)1104728 Ares(2012)1093821 Ares(2012)1253323 Ares(2012)1431216 Ares(2013)113869 Ares(2013)171541 Ares(2013)431514 Ares(2013)553128 Ares(2013)3099999 Ares(2014)1092504 Ares(2014)2195818 Ares(2014)3850812	COLLEGIO CARLO ALBERTO - CENTRO DI	Private	No Report	712	90	EMI.5279-2	CPM.0263081	CC	SI2.3699830
RTD	Further Information Needed, missing document, corrections, amendment ongoing	244 days 146 days 102 days 87 days Cancelled	-	INSTITUT DE RECHERCHE POUR LE DEVEL	Public	No Report	579	90	EMI.790-3	SI2.1290475	CC	SI2.3596285

Cases concerning late payments to SMEs

Com L2 Old Budget Mgt Type Code	Pay Time Over- due Days	LE Legal Type	LE Official Name	Invoice Local Key	Invoice First Step 2 Date	Invoice Type Code	Pay Local Key	Pay Time Application Regulation	Pay Late Interest Rule Desc	Pay Time Total Amount (Eur)	Budget lines
CI	34	PRLB	TIDEA DOO BANJA LUKA*TIDEA LTD	CPM.0583351	23/07/2014	CC	SI2.3646723	FR2012	ECB + 3,5: Interest is due if the threshold is reached	11.167,49 €	BGUE-B2014-15.035100-C8-REA FP7-NIGHT A4
CI	28	PRLB	TECNOLOGIAS AVANZADAS INSPIRALIA SL*	CPM.0453111	5/02/2014	CC	SI2.3574487	FR2007	ECB + 3,5: Interest is due if the threshold is reached	197.676,00 €	BGUE-B2014-08.025100-C8-REA FP7-SME
CI	22	PRLB	ATEKNEA SOLUTIONS CATALONIA, SA*CRIC	CPM.0509281	2/12/2013	CC	SI2.3578019	FR2007	ECB + 3,5: Interest is due if the threshold is reached	389.975,81 €	BGUE-B2014-08.025100-C8-REA FP7-SME

Cases that the Commission considers as exemplary

Pay wkfl org code	Invoice Type Code	LE NAME	Invoice Local Key	Pay Local Key	Central Appropriation Key
REA	CC	IDRYMA PROOTHISIS EREVNAS*RESEARCH PROMOTION FOUNDATION	CPM.0600571	SI2.3631722	BGUE-B2014-15.035100-C1-REA FP7-NIGHT A4
REA	CC	TECNOLOGIAS AVANZADAS INSPIRALIA SL*	CPM.0361311	SI2.3575016	BGUE-2014-08.025100-C1-REA FP7-SME S1
DEVCO	CC	TRAFFIC INTERNATIONAL	SCR.2015.035075	SCR.4920331	BGUE-B2016-21.025103-C1-DEVCO DELCHN
ENV	CC	ANAPTIKSIAKI ANONYMOS ETERIA O.T.A (6000062593)	SI2.1394960	SI2.3126463	BGUE-B2015-07.025100-C1-ENV



Kristalina Georgieva
Vice-president
Budget and Human Resources

Brussels, **31 MAI 2016**

Dear Ms O'Reilly,

Subject: Own initiative inquiry OI/11/2015/EIS – request for a supplementary opinion and inspection of files

Thank you for the letter of 5 February 2016 addressed to the President of the European Commission about the above-mentioned case.

Please see enclosed the comments of the Commission regarding this inquiry.

The Commission remains at your disposal for any further information you may require.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "K. Georgieva".

Kristalina Georgieva

Enclosure

Ms Emily O'REILLY
European Ombudsman
1, avenue du Président Robert Schuman
B.P. 403
F-67001 STRASBOURG Cedex