Question for written answer E-010745/2013 to the Commission Rule 117 María Irigoyen Pérez (S&D)

Subject: Delays in regional authority payments of Commission funding for local authorities

Just as some small and medium-sized businesses are experiencing financial problems as a result of late payments on the part of public authorities and major companies, some local councils are suffering as a consequence of persistent failures on the part of regional authorities to fulfil their economic commitments – in this case involving Commission funding under the structural funds (the European Social Fund and the Regional Development Fund).

Late payments on the part of public authorities and major companies mean that suppliers and staff are not paid, and sometimes drive small and medium-sized firms out of business. Where local authorities are concerned, delays in funding payments plunge those authorities into debt, causing financial and cashflow problems that have a negative effect on the quality of life of the general public.

To give a specific example, for the local council in Tembleque, near Toledo, along with nearly 400 other councils in Castilla-La Mancha, such delays have resulted in major irregularities, infringing various EU rules, such as the principle of the wholeness of payment to beneficiaries as referred to in Article 80 of Regulation (EC) No 1083/2006. That article stipulates that Member States are to satisfy themselves that the beneficiaries receive the total amount of the public contribution as quickly as possible.

What action can the Commission take to ensure that the aid received by the Autonomous Community of Castilla-La Mancha under the structural funds gets to the local authorities as soon as possible?

Is the Commission intending to draw up specific rules to address the problem of late payments to beneficiaries in the context of EU-funded projects and alleviate the severe financial pressure under which many small local councils find themselves?