

Case T-85/94 (122)

Commission of the European Communities

v

Eugénio Branco Lda

(European Social Fund — Reduction in financial assistance initially granted — Statement of reasons — Proceedings seeking to have a default judgment set aside)

Judgment of the Court of First Instance (Third Chamber), 13 December  
1995 ..... II - 2995

Summary of the Judgment

*Acts of the institutions — Statement of reasons — Obligation — Scope — Commission decision reducing, following a proposal by a Member State, assistance from the European Social Fund for a vocational training programme*

*(EEC Treaty, Art. 190; Council Regulation No 2950/83, Art. 6(1))*

Although any national authority having competence in the area of the financing of European Social Fund programmes may propose a reduction in the Fund's financial assistance, it is the Commission which has the power to reduce such assistance, in

accordance with Article 6(1) of Regulation No 2950/83, and which assumes, *vis-à-vis* the recipient of assistance, the legal responsibility for the decision by which its assistance is reduced, irrespective of whether that reduction was or was not proposed by the competent national authority.

Its decision must satisfy the obligation to provide reasons laid down in Article 190 of the Treaty and must therefore clearly show the grounds which justify a reduction of the amount of the assistance initially authorized or, at the very least, refer with sufficient clarity to a measure of the competent national authorities in which those authorities set out clearly the reasons for such a reduction.