



**The Rise of the EU Quangos
(Updated)**

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EXECUTIVE SUMMARY

- There are currently 52 EU quangos, double the number in 2004. Prior to 1990, there were only three.
- The total cost to European taxpayers now stands at €2.64bn (£2.17bn), up 3.4% from last year and a massive 33.2% compared with 2010. Over 90% of this comes from EU member states (the rest from non-EU member states such as Norway) – with the UK paying around €362m (£298m) this year, Germany paying €490m and France paying €386m.
- Some agencies, such as the European Chemicals Agency, help to facilitate trade in the single market or pool expertise. However, many agencies add little or no value while duplicating the work of each other, of the core EU institutions as well as of member states' organisations and civil society. For example, there are currently two EU agencies specifically dedicated to human rights in addition to similar bodies in member states, the Council of Europe, the ECtHR, a specific EU Commissioner for “fundamental rights” and a range of NGOs.
- Others have no impact on policy whatsoever. For example there is no evidence that the €129m a year Economic and Social Committee, an “advisory” body that has existed since the 1950s, has actually altered the outcome of an EU proposal in recent years, and yet it remains in place.
- As an evaluation for the European Commission concluded, the system of EU agencies also “creates an indirect but powerful incentive for spending” taxpayers’ cash. For example:
 - The European Environment Agency (EEA) has set a financial ceiling of €250,000 over a four year contract in order to “assess the EEA’s media coverage and the effectiveness of its media related-work in particular”.
 - The EEA also spent €300,000 on a ‘living map’ of Europe, created from 5,000 plants affixed to the outside wall of its headquarters in Copenhagen, in order to promote biodiversity. The facade stayed up for around 5 months in 2010. On its website, the EEA said it wanted to “illustrate the significance of vertical gardens.”
 - Each board meeting of the European Food Safety Authority (EFSA) – whose mandate already overlaps with that of another EU agency, and whose board only consists of 15 people – costs €92,630 on average, working out at €6,175 per member.
- Open Europe has identified at least ten agencies that serve no unique purpose and ought to be abolished. Most of the remaining agencies should be cut by 30%, saving EU member states just over €668m (£566.4m) every year, with the UK saving €100.4m (£82.6m), France saving €107.3m and Germany saving €136m. In parallel, all agencies should be given strict performance targets and funding should then be dependent on whether these are met.

1. A brief overview of the EU Agencies' system

1.1. What are EU agencies?

EU agencies are bodies that are distinct from the main EU institutions, but handle tasks on their behalf. The EU currently has a total of 52 agencies, also known as quangos (quasi-governmental organisations). The tasks of agencies range from providing the EU institutions with information to making key decisions over how EU law should be implemented.

While there is no comprehensive or definitive list of EU agencies, they can be divided up into a number of specific categories:

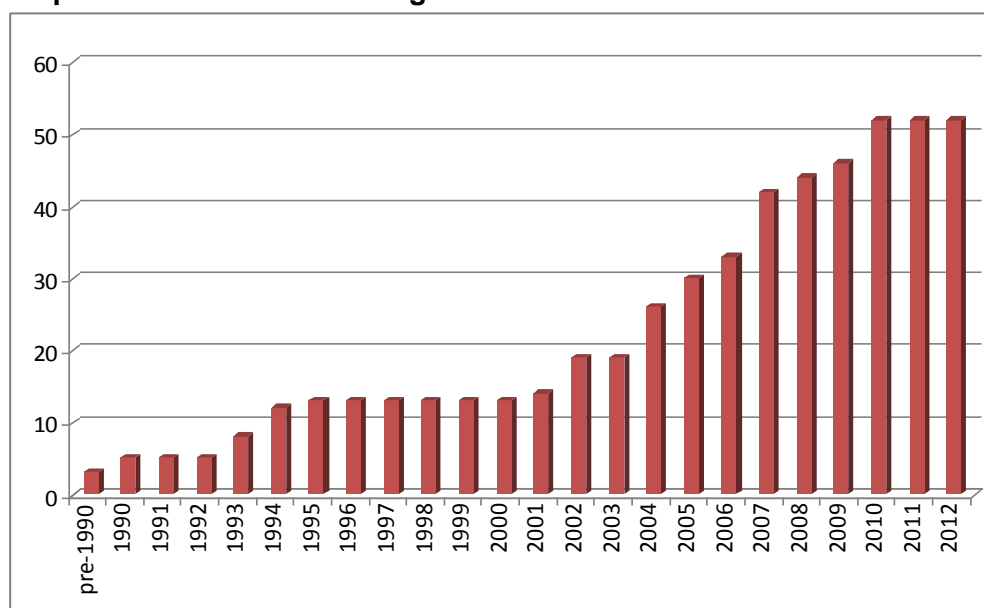
- **The Economic and Social Committee and the Committee of the Regions** – these two 'advisory bodies' are mandated for by the EU Treaties, and as such are sometimes counted as separate institutions but are really what in many countries would be considered to be quangos.
- **Decentralised Agencies** – by far the biggest group, these bodies were established in order to focus on specific legal, technical and/or scientific aspects of EU policymaking.
- **European System of Financial Supervisors** – this grouping of four specific bodies was set up in response to the financial crisis in order to supervise financial markets.
- **Executive Agencies** – the EU Commission has six executive agencies tasked with carrying out specific EU programmes, for example in Education and Culture.
- **Joint Undertakings** – part of the EU's scientific research programme, these bodies take the form of public/private partnerships involving industry, the research community and public authorities, and focus on advanced scientific and technological research in areas such as fusion energy.
- **Common Security and Defence Policy Agencies** – geared towards furthering co-operation between member states in security and defence policies, unlike most other EU agencies, these bodies come under the remit of the Council rather than the Commission.

A full list of all 52 EU agencies covered by this report is available in the Annex.

1.2 The rise of EU agencies

The huge number of EU agencies is a relatively recent phenomenon; prior to 1990 there were only three in existence, as the graph below shows:

Graph 1: The rise of the EU Agencies



Source: *Open Europe Calculations*

Some of the agencies created in the 1990s were driven by a desire to stamp out divergences in the implementation of EU law in different member states by developing common technical standards. However, between 2001 and 2010 – during which 38 out of the current total of 52 agencies were established – the focus was more on expanding powers in other areas such as justice and home affairs, security and culture. This period has been described as an “agencification frenzy.”¹

1.3. Why have EU agencies come about?

EU officials usually give several reasons for why the EU may decide to establish a quango: to develop expertise, to ease the workload of the Commission, to boost understanding of the EU and to enhance transparency. Of these objectives, the first one looks the most sensible and justifiable. The second, third and fourth objectives are dubious, as evidence suggests that often the exact opposite occurs (see below).

In addition, due to the economic and political benefits associated with headquartering an EU agency, their establishment is driven by horse-trading between member states in EU negotiations, rather than based on a demand from citizens. As a result, 22 member states now have at least one EU agency based within their territory².

1.4. How are they funded?

Most EU agencies are funded entirely by contributions from the European taxpayers, the bulk of which are delivered via the EU budget. However, agency funding is complex and inconsistent. For example, the three CSDP agencies are funded directly by member states,³ others are partly funded by EFTA and EU candidate states, while others receive grants from national public authorities. A few agencies are either

¹ Andoura, Sami and Timmerman, Peter (2008) ‘Governance of the EU: The Reform Debate on European Agencies Reignited’, European Policy Institutes Network Working Paper No. 19 <http://aei.pitt.edu/11474/1/1736.pdf>

² The only member states without an EU agency based on their territory are Bulgaria, Cyprus, Czech Republic, Romania and Slovakia.

³ With the exception of Denmark, which has an opt-out from this whole policy area.

partially or completely self-funded through revenue from other sources, for example through fees and charges levied on industry for registering new products.⁴

1.5. The cost and staffing levels of the EU agencies

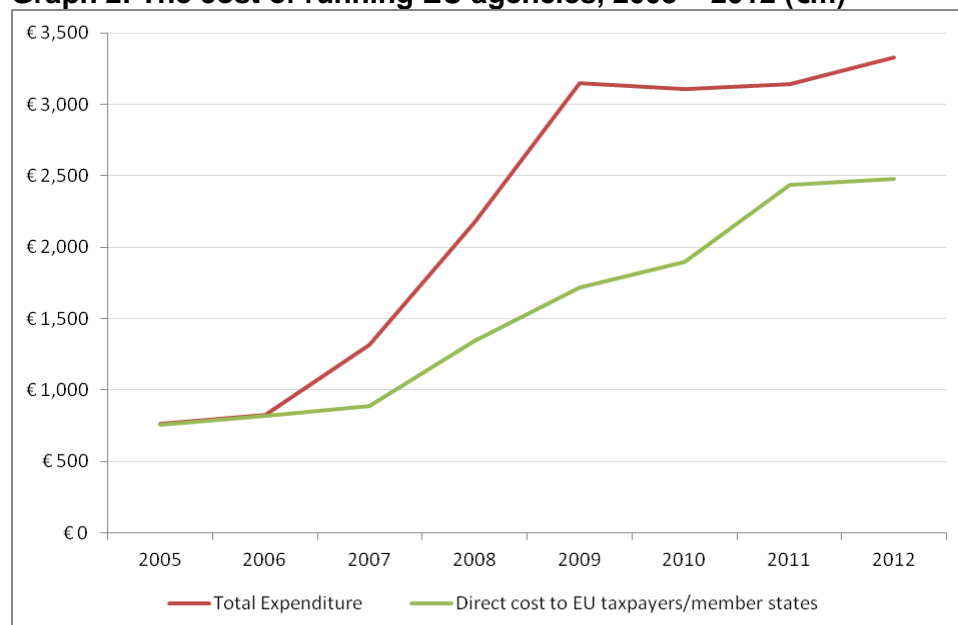
Despite the widespread austerity imposed throughout the EU by national governments in the wake of the financial crisis, the overall EU agencies' budget has never once gone down, instead it continues to rise⁵.

Due to the often complex nature of EU agencies' funding arrangements, it can be difficult to pin down an overall precise spending total. However, on the basis of material made available by the Commission, we estimate that this year, the combined budgets of all 52 EU agencies will total €3.32bn (£2.73bn), an increase of 5.9% compared with 2011 and 7.1% compared with 2010. Of this:

- €2.64bn (£2.17bn) is the total cost to taxpayers and national governments, an increase of 3.4% compared with 2011 and 33.2% compared with 2010,
- €2.48bn (£2.04bn) is the total cost to taxpayers and EU member states, an increase of 1.9% compared with 2011 and 30.7% compared with 2010⁶, and
- €2.38bn (£1.96bn) is the total cost to the EU budget, an increase of 9.9% compared with 2011 and 31.3% compared with 2010.

As the graph below shows, since 2005, the overall cost of the whole agencies system has increased sharply, although the proportion of funding from non-EU/member states has also increased considerably over this period:

Graph 2: The cost of running EU agencies, 2005 – 2012 (€m)



Sources: *EU Commission*⁷, *Open Europe Calculations*

⁴ These include the European Chemicals Agency (ECA), the European Medicines Agency (EMA), the Office for the Harmonisation in the Internal Market (OHIM), and the Community Plant Variety Office (CPVO). However, somewhat misleadingly, the EU also considers its Translation Centre for the Bodies of the European Union (CdT) as 'self-financing' even though it is financed by other EU bodies and institutions, and therefore by taxpayers.

⁵ Although following political pressure from member states to limit overall EU spending, individual agencies' actual budgets for 2012 experienced minor cuts compared to the original proposals.

⁶ This increase was largely driven by the rising costs of the EU's joint undertakings.

Assuming the UK's share of the overall cost burden of the EU agencies is roughly the same as its share of the EU budget, prior to the rebate, we estimate the UK's total contribution to financing the EU agencies in 2012 to be around €361.6m (£297.6m). Below is the estimated breakdown for every EU member state:

Table 1: Estimated annual contributions to funding the EU agencies

Member State	Estimated Contribution (m)
Belgium	€ 98.17
Bulgaria	€ 7.64
Czech Republic	€ 29.69
Denmark	€ 48.12
Germany	€ 490.20
Estonia	€ 3.05
Ireland	€ 25.66
Greece	€ 40.84
Spain	€ 209.96
France	€ 386.39
Italy	€ 304.66
Cyprus	€ 3.73
Latvia	€ 3.53
Lithuania	€ 6.01
Luxembourg	€ 6.00
Hungary	€ 20.40
Malta	€ 1.32
Netherlands	€ 122.60
Austria	€ 52.12
Poland	€ 75.26
Portugal	€ 30.53
Romania	€ 25.13
Slovenia	€ 7.86
Slovakia	€ 14.01
Finland	€ 36.73
Sweden	€ 68.05
UK	€ 361.61
TOTAL	€ 2,479.28

Source: *Open Europe Calculations*⁸

Staffing levels

EU agencies employ thousands of officials on either permanent or temporary contracts, and also take on staff seconded from national institutions. In 2010, EU agencies employed 9,031 members of staff. While the numbers for 2011 and 2012 have not yet been released, using the ratio of filled to authorised posts from 2010, we estimate the staffing totals for 2011 to be 9,752 employees and for 2012 to be 10,045 employees; an overall increase of 8% and 11.2% when compared with 2010.

⁷ EU's official 2012 budget and European Commission, "Draft General Budget of the European Commission for the Financial Year 2011: DB 2011 — Working Document Part III", May 2011

⁸ We have based our calculations on national contributions to the EU budget prior to the UK rebate on the basis that the rebate only covers EU spending that does not flow back to the UK.

2. The benefits and drawbacks of the EU agency system

2.1. The benefits of the EU agency system

i) Can facilitate trade in single market

There clearly are areas where there are benefits in having a centralised entity dealing with the more niche, technical or administrative aspects of trade in a large and diffuse market. The clearest example of this is perhaps the European Chemicals Agency, which handles registrations of chemicals – a hugely complex area that nonetheless is vital to get right in order for trade to flourish in this sector.⁹ It is telling that this agency is now self-financed and therefore does not cost European taxpayers anything.

ii) Allows for pooling of expertise

An evaluation of the decentralised agencies commissioned by the Commission and carried out in 2009 by three management consultancies: Ramboll, Euréval and Matrix, concluded that pooling expertise from across the EU can add benefits.¹⁰ The European Banking Authority or the European Systemic Risk Board (though the latter comes under the ECB) are examples of this. In theory, both should serve as forums between national supervisors to keep up with new developments in the financial sector, akin to the rise of shadow banking for example.

2.2. The drawbacks of the EU agency system

i) Lack of relevance leading to mission creep

Damningly, the Ramboll et al. evaluation concluded that the establishment of new agencies is done on an ad hoc basis, largely driven by political interests. As a result:

“The relevance of the overall structure of the agency system remains questionable in the sense that there is no overarching rationale cutting across agencies”¹¹

The report noted that a “majority” of the decentralised agencies have faced serious questions over their relevance, but that this problem has been ‘resolved’ by extending their mandates rather than by closing or merging agencies, a clear demonstration of so-called ‘mission creep’.

ii) Inefficiency and duplication

Closely linked to questions of relevance, the Ramboll et al. evaluation also concluded that the agencies have “not relaxed the constraint on the Commission’s resources”¹² - a key rationale for their establishment in the first place. Per definition, this means that the EU agencies add to the administrative burden rather than decreasing it.

Of the 52 EU agencies and quangos, many clearly deliver no added value above what is and/or could be delivered using existing structures at national, EU and global level. For example, there are currently two EU agencies specifically dedicated to human rights, in addition to the Council of Europe, the ECHR, a specific

⁹ Ramboll, Euréval and Matrix (2009) ‘Evaluation of the EU decentralised agencies in 2009’ Final Report Volume I, Synthesis and prospects

http://ec.europa.eu/dgs/secretariat_general/evaluation/docs/decentralised_agencies_2009_part1_en.pdf
pg. 4

¹⁰ Ibid, pg. 23

¹¹ Ibid, pg. 3

¹² Ibid, pg. 4

Commissioner for “fundamental rights” and a range of NGOs all operating in the same area. Indeed former French Europe Minister Pierre Lellouche was reportedly left “fuming with rage” after attending a conference of the EU’s Fundamental Rights Agency, asking: “What is the point of this? Is there anything that the agency adds to what we’ve got?”¹³

This also illustrates how EU agencies often duplicate work done by the main EU institutions, as well as by each other. For example, the Economic and Social Committee examines the EU’s regional policy, even though the Committee of the Regions was specifically established for this purpose and the Commission has its own dedicated Directorate General for Regional Policy.

Finally, duplication and overlap also occurs at the global level, for example between the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and the UN Office on Drugs and Crime (UNODC). We look at the duplication of agencies in more detail in Section 3.

iii) Difficult to abolish once established

Despite the problems with duplication and irrelevance, as with many areas of EU activity, once something is established, it becomes very difficult to abolish or even reform. Therefore, EU agencies and committees can continue to exist year on year at the expense of Europe’s taxpayers despite lacking purpose. For example, the Economic and Social Committee has been around since 1958 despite its role and purpose being incredibly unclear, with even some EU officials and MEPs questioning its value and relevance, at a cost to taxpayers of €129m in 2012.

iv) Perverse incentives to spend money

As with other areas of EU spending, there exists a perverse incentive for agencies to get ‘money out the door’ for fear of losing out in the next budgetary round. As the Ramboll et al evaluation put it:

“The process of establishing the agencies’ budgets tends to be disconnected from performance information...the current process creates an indirect but powerful incentive for spending”¹⁴

Needless to say, this leads to wasteful use of taxpayers’ money. For example:

- The European Environment Agency (EEA) has set a financial ceiling of €250,000 over a four year contract in order to “assess the EEA’s media coverage and the effectiveness of its media related-work in particular”¹⁵.
- The EEA also spent €300,000 on a public outreach programme consisting of a ‘green facade’ or ‘living map’ of biodiversity in Europe, created from 5,000 plants affixed to the outside of its headquarters in Copenhagen. Designed to mark the UN’s International Year of Biodiversity, the facade stayed up for around 5 months in 2010. On its website, the EEA said it wanted to “illustrate

¹³ *Die Welt*, ‘Die verrückte Behördenschwemme in der EU’, 3 Jun 2010

<http://www.welt.de/politik/ausland/article7888056/Die-verrueckte-Behoerdenschwemme-in-der-EU.html>

¹⁴ Ramboll et al. pg. 5

¹⁵ EEA ‘Framework contracts for the provision of media monitoring tools and services (2 lots)’ <http://www.eea.europa.eu/about-us/tenders/open-call-for-tenders-no>. The contract was awarded in December 2011, with the agency claiming that between 2009 and 2011 it was spending €11,300 per year on media monitoring services.

the significance of vertical gardens as urban green areas [which] represent a backbone for human health, biodiversity and ecosystem services in cities”.¹⁶

- As the European Parliament’s budgetary control committee has pointed out, each meeting of the management board of the European Food Safety Authority (EFSA) – whose work already overlaps with another EU agency and whose board only consists of 15 people – costs on average €92,630 (€6,175 per member), nearly three times higher than that of second most expensive decentralised Agency.¹⁷

Much of the agencies’ wasteful spending is reflective of an obsession with visibility and self-promotion. For example, the Institute for Gender Equality (EIGE) launched a Europe-wide campaign to design its official logo which “took advantage of the vast EU networks such as Commission Representations and European Parliament information offices ensuring that the campaign outreach was met as far and wide as possible, reaching local EU towns and villages”.¹⁸

v) Lack of accountability to EU citizens

Due to their complexity and unclear remits, EU agencies also suffer from lack of accountability and transparency. For example, the European Defence Agency (EDA) is driving forward European military integration, and yet, it operates largely under the radar. As Dennis de Jong, a Dutch Socialist MEP engaged in this area has argued:

*“the current lack of transparency surrounding both the establishment of and the control over Agencies does not contribute to bridging the gap between the EU and citizens in Europe”.*¹⁹

Questions have also been raised about the propriety of some agencies’ expenditure, with the European Parliament’s budgetary control committee last month temporarily suspending the 2010 budgetary discharge for three agencies – the European Food Safety Authority (EFSA), the European Medicines Agency (EMA) and the European Environment Agency (EEA). For example, MEPs highlighted that the head of the EEA authorised the payment of over €33,000 for a staff training session in the Caribbean to an NGO on whose advisory board she sits.²⁰ While such revelations are worrying, it is a good sign that some MEPs at least try to inject some scrutiny in these agencies, even if there is still a long way to go.

There have also been concerns about ‘revolving door’ practices, whereby senior management staff leave the agencies to work for companies they had been in the business of regulating. For example in 2008, the head of the EFSA unit dealing with genetically modified crops moved straight into the Brussels lobby office of Syngenta, a biotech company producing genetically modified seeds, a decision the agency

¹⁶ Europe in bloom: a living façade at the European Environment Agency

<http://www.eea.europa.eu/themes/biodiversity/living-facade>

¹⁷ Draft report (PE473.970v01-00) on discharge in respect of the implementation of the budget of the European Food Safety Authority for the financial year 2010 (C7-0286/2011 – 2011/2226(DEC))

http://www.europarl.europa.eu/meetdocs/2009_2014/documents/cont/am/892/892988/892988en.pdf

¹⁸ EIGE 2010 Annual Report, pg. 11

<http://www.eige.europa.eu/sites/default/files/EIGE-Annual-Activity-Report-2010-adopted.pdf>

¹⁹ Vrieze, Gerrit, Smit,| Frederik and Laven, Max (2011) ‘Keeping up Appearances - The Functioning of EU Agencies: Policy Recommendations’ ITS, Radboud Universiteit Nijmegen

²⁰ *EUobserver* ‘Three EU agencies fail MEPs’ ethics test’ 28 March 2012

<http://euobserver.com/18/115726>

subsequently admitted was “regrettable”. EFSA is currently facing similar questions over two other former employees.²¹

2.3. Conclusions

On balance, with some exceptions for bodies that actively facilitate trade or pool expertise, it is unclear what value many of these agencies and committees add. Therefore, it would be wholly illogical to insulate them from significant cuts, particularly given attempts by the UK and other member states to balance budgets precisely by cutting down on this type of expenditure.²² Indeed, many of these agencies would hardly survive the austerity programmes that the Commission is designing for individual member states.

3. Recommendations for reform

In addition to more general reforms, we have identified ten individual agencies which serve no unique purpose and which could safely be scrapped without much – if any – adverse impact on the functioning of the EU. These are:

Economic and Social Committee and Committee of the Regions

- Combined budget in 2012: €215.3m
- EU/member states contribution: €215.3m

Described as the “bridge between Europe and organised civil society”, the work of the ESoC is almost entirely unknown outside of Brussels. It is consulted on all pieces of EU legislation but has no actual power beyond offering its opinion in an advisory capacity. To our knowledge, no EU proposal has ever been changed as a result of ESoC’s advice – at least in recent memory. Established in 1958, it has long since outlived its *raison d’être*.

Likewise the CoR was established to give regions and cities a voice in EU decision-making and to ‘close the gap’ between citizens and Brussels, however, it too only has a consultative role and no substantive powers. In addition, it is based on the flawed logic that in order to give regions a stronger say, more powers must be centralised in Brussels. Given the European Parliament’s increased role in shaping EU legislation, the CoR’s envisioned role is also no longer a valid justification for its existence.

A growing number of officials and politicians are realising that having two committees which together cost €215m but which deliver no clear added value is simply unsustainable in such economically challenging times. However, since they are both embedded within the EU Treaties, scrapping them will prove difficult.

European Union Agency for Fundamental Rights and the Institute for Gender Equality

- Combined budget in 2012: €28.1m
- EU/member states contribution: €27.9m

²¹ *Die Presse* ‘EU-Agentur gibt Fehler im Umgang mit Lobbyismus zu’ 18 April 2012

<http://diepresse.com/home/politik/eu/750421/EU-Agentur-gibt-Fehler-im-Umgang-mit-Lobbyismus-zu?from=rss>

²² In the UK for example, the coalition government announced in 2010 that of the total 900 public bodies and quangos, it would reform approximately 500, with 199 abolished and a further 120 merged

<http://www.cabinetoffice.gov.uk/resource-library/public-bodies-reform-proposals-change>

Both the FRA and EIGE operate in an already very congested field. Most member states have dedicated public bodies tasked with safeguarding and promoting human rights, including gender equality, such as the UK's Equality and Human Rights Commission. At the European level there already exists the Council of Europe and the Strasbourg based European Court of Human Rights, while the European Commission itself has its very own Commissioner for Justice, Fundamental Rights and Citizenship, as well as a whole host of NGOs. If anything, it could be argued that the increasing bureaucratisation of human rights and the perception that it is becoming a self-contained 'industry' is actually more damaging to the cause of human rights than any marginal benefit delivered by these two agencies.

Such concerns have already been raised, for example by the European Council in a resolution entitled "the need to avoid duplication of the work of the Council of Europe by the European Union Agency for Fundamental Rights"²³, and by a UK House of Lords report which concluded that: "the case for a separate European Institute for Gender Equality has not been demonstrated".²⁴ Any useful data collection duties carried out by these agencies could be passed over to Eurostat, the EU's dedicated information gathering body.

European Training Foundation (ETF), European Centre for the Development of Vocational Training (CEDEFOP), European Foundation for the Improvement of Living and Working Conditions (EUROFOUND) and European Agency for Safety and Health at Work (OSHA)

- Combined budget in 2012: €73.4m
- EU/member states contribution: €72.5m

Like with the other agencies detailed above, there is a huge degree of overlap in the remits of these four agencies, which all carry out activities in the field of social and employment policies.

The European Training Foundation (ETF) aims to help "transition and developing" countries that are either candidates for EU membership or come under the European Neighbourhood Policy (ENP) to "harness the potential of their human capital through the reform of education, training and labour market systems in the context of the EU's external relations policy". The successful elements of the ETF's activities can be rolled into the Commission's Enlargement and ENP programmes, but again, there seems to be no rationale for having a stand-alone agency dedicated to this area.

The work of the ETF strongly overlaps with that undertaken by another EU agency, the European Centre for the Development of Vocational Training (CEDEFOP), which "works to promote a European area of lifelong learning throughout an enlarged EU. It does this by providing information on and analyses of vocational education and training systems, policies, research and practice".²⁵ CEDEFOP's 2010 'Work Programme' noted that both agencies worked in vocational education and training, but that they had "distinct missions, geographical scopes and objectives".²⁶

Both the ETF and CEDEFOP provide services which overlap with a third EU agency, the European Foundation for the Improvement of Living and Working Conditions

²³ Council of Europe, "The need to avoid duplication of the work of the Council of Europe by the European Union Agency for Fundamental Rights", 31 January 2008, <http://assembly.coe.int/Main.asp?link=/Documents/WorkingDocs/Doc08/EDOC11521.htm>

²⁴ House of Lords debates, 8 June 2006, <http://www.theyworkforyou.com/lords/?id=2006-06-0b.1468.0>

²⁵ CEDEFOP website, 2010, <http://www.cedefop.europa.eu/EN/about-cedefop.aspx>

²⁶ CEDEFOP, 'Knowledge, skills and competences for recovery and growth', 2010 http://www.cedefop.europa.eu/EN/Files/4090_en.pdf

(EUROFOUND). EUROFOUND's central mission is to "provide information, advice and expertise – on living and working conditions, industrial relations and managing change in Europe – for key actors in the field of EU social policy on the basis of comparative information, research and analysis".²⁷ As such, it also overlaps with the remit of the Economic and Social Committee discussed earlier.

Finally, EUROFOUND's work overlaps with the EU's Agency for Safety and Health at Work (EU - OSHA), which, according to its website, is the "main EU reference point for safety and health at work".²⁸ However, EUROFOUND's 'European Working Conditions Observatory' also undertakes research about a variety of topics including health and safety in the workplace.²⁹ OSHA is also tasked with running public awareness campaigns, such as the 2006 "Safe Start" programmes in workplaces, schools, colleges, universities and training establishments which aimed to "empower" and "inform" young people ahead of their first day of work.³⁰ However there is no added value that OSHA can generate in this area compared with national bodies and/or employer and employee organisations. Furthermore, it is worth bearing in mind that numerous, often burdensome, EU Directives already exist to ensure that health and safety standards are met.

European Food Safety Agency (EFSA)

- Budget for 2012: €78.1m
- EU/member states contribution: €78.1m

EFSA was created as part of a comprehensive programme to "improve EU food safety, ensure a high level of consumer protection and restore and maintain confidence in the EU food supply."³¹ However, this mission overlaps with another EU agency, that of the Executive Agency for Health and Consumers (EAHC) which was established in 2005, and in 2008 its "mandate was prolonged and expanded to include actions in consumer protection and training for safer food."³² Its central initiative is the 'Better Training for Safer Food' drive, which aims to develop a "strategy in the areas of food law, feed law, animal health and animal welfare rules, as well as plant health rules." It is unclear why they exist as separate entities.

Education, Audiovisual and Culture Executive Agency

- Budget for 2012: €49.7m
- EU/member states contribution: €46.7m

Given its highly subjective nature, the EU's growing role in developing and funding 'culture' is contestable, particularly in times of austerity. According to its website, the Education, Audiovisual and Culture Executive Agency's (EACEA) mandate "covers a variety of Europe- and worldwide opportunities for organisations, professionals and individuals, at all ages and stages of life"³³. This includes programmes that should not be receiving taxpayer support, for example the 'Youth in Action' initiative which took German students to South Africa to play football.³⁴

It is worth bearing in mind that the EACEA is authorised to employ a maximum of 416 members of staff which seems excessive when considering that the Commission's

²⁷ EUROFOUND website, 2010, <http://www.eurofound.europa.eu/about/index.htm>

²⁸ OSHA website, 2010, <http://osha.europa.eu/en/about/index.html>

²⁹ EUROFOUND, "Health and safety at work in SMEs: Strategies for employee information and consultation", Sept 2010, <http://www.eurofound.europa.eu/ewco/studies/tn0911028s/index.htm>

³⁰ OSHA, "Discover Safe Start", 2006, <http://osha.europa.eu/en/campaigns/ew2006/risq/index.html>

³¹ EFSA website, 'About EFSA' <http://www.efsa.europa.eu/en/aboutefsa.htm>

³² EAHC website: <http://ec.europa.eu/eahc/about/about.html>

³³ EACEA website: http://eacea.ec.europa.eu/about/about_eacea_en.php

³⁴ EU financial transparency website: http://ec.europa.eu/beneficiaries/fts/index_en.htm

department for Education and Culture already employs 487 people. Extraordinarily, this is more than the Commission's department for the Internal Market employs (450 staff) – a core area of the EU's competencies.

In addition to scrapping the ten agencies identified above, in order to reflect the austerity being imposed on national budgets, mandatory efficiency savings should be imposed on the remaining decentralised agencies³⁵ that are wholly or in part taxpayer funded, and likewise for the remaining five executive agencies.

Table 2: Summary of Open Europe's proposed savings

Agency	Action	Saving
Economic and Social Committee	Abolish	€ 128,816,588
Committee of the Regions	Abolish	€ 86,503,483
European Union Agency for Fundamental Rights	Abolish	€ 20,196,000
Institute for Gender Equality	Abolish	€ 7,741,800
European Training Foundation	Abolish	€ 20,044,530
European Centre for the Development of Vocational Training	Abolish	€ 17,433,900
European Foundation for the Improvement of Living and Working Conditions	Abolish	€ 20,384,100
European Agency for Safety and Health at Work	Abolish	€ 14,681,700
European Food Safety Authority	Abolish	€ 78,129,780
Education, Audiovisual and Culture Executive Agency	Abolish	€ 46,698,000
Remaining taxpayer funded Decentralised Agencies	30% Efficiency Savings	€ 211,866,935
Remaining Executive Agencies	30% Efficiency Savings	€ 35,668,200
TOTAL SAVINGS		€ 688,165,016

Source: Open Europe Calculations

Under Open Europe's suggested actions, taxpayers in EU member states would save just over €668m (£566.4m) every year, around a quarter of the total amount allocated in 2012. These savings would then be redistributed back to member states in proportion to their share of national contributions to the EU budget in 2012. Of the total savings, the UK share would be €100.4m (£82.6m), while France would save

³⁵ For the purposes of this exercise, we are counting the European Institute for Innovation and Technology as a decentralised agency, even though it is not officially categorised as such.

€107.3m and Germany would save €136m. Below is a breakdown of savings for every EU member state:

Table 3: Savings per member state under Open Europe’s proposals

Member State	Estimated Savings (m)
Belgium	€ 27.25
Bulgaria	€ 2.12
Czech Republic	€ 8.24
Denmark	€ 13.36
Germany	€ 136.06
Estonia	€ 0.85
Ireland	€ 7.12
Greece	€ 11.34
Spain	€ 58.28
France	€ 107.25
Italy	€ 84.56
Cyprus	€ 1.03
Latvia	€ 0.98
Lithuania	€ 1.67
Luxembourg	€ 1.66
Hungary	€ 5.66
Malta	€ 0.37
Netherlands	€ 34.03
Austria	€ 14.47
Poland	€ 20.89
Portugal	€ 8.47
Romania	€ 6.98
Slovenia	€ 2.18
Slovakia	€ 3.89
Finland	€ 10.20
Sweden	€ 18.89
UK	€ 100.37
TOTAL	€ 688.17

Source: Open Europe Calculations

Other recommended reforms

In addition to the cost cutting aspect of these proposals, we would also bring in parallel institutional reforms that would not only help the remaining agencies to adapt to the funding cuts, but also to address many of the deep rooted problems identified in section 2.2. For example, the agencies could be given more flexibility on what to spend their money, but continued funding would be subject to these agencies meeting pre-set performance targets.

Finally, over the longer term, a follow-up exercise should be undertaken in order to see if even greater savings could be achieved by merging agencies and thereby helping them to achieve greater economies of scale, and/or by re-locating some of the more remote agencies to more appropriate and cost-effective locations, even if this will not always prove politically popular with the host member states.

Annex 1: Full list of all EU Quangos and Agencies and their 2012 spending

EU Agencies and Quangos	Total budget	Cost to European taxpayers	Cost to taxpayers in EU member states
Institutional Quangos	-	-	-
Economic and Social Committee	€ 128,816,588	€ 128,816,588	€ 128,816,588
Committee of the Regions	€ 86,503,483	€ 86,503,483	€ 86,503,483
Decentralised agencies			
Competitiveness for growth and employment			
European Medicines Agency (EMA)	€ 219,703,107	€ 39,772,107	€ 38,841,107
Chemicals Legislation and Chemicals Agency (ECHA)	€ 105,394,440	€ 2,728,440	€ 2,728,440
Institute for Gender Equality (EIGE)	€ 7,741,800	€ 7,741,800	€ 7,741,800
European Foundation for the Improvement of Living and Working Conditions (EUROFOUND)	€ 20,449,100	€ 20,384,100	€ 20,384,100

European Agency for Safety and Health at Work (EU-OSHA)	€ 15,178,300	€ 14,978,300	€ 14,681,700
European Aviation Safety Agency (EASA)	€ 150,211,988	€ 36,592,855	€ 34,862,010
European Maritime Safety Agency (EMSA)	€ 54,703,935	€ 54,503,935	€ 53,229,094
European Railway Agency (ERA)	€ 25,747,400	€ 25,747,400	€ 25,007,400
European (GNSS) Supervisory Authority (GSA)	€ 10,494,000	€ 10,494,000	€ 10,494,000
European Agency for the Cooperation of the Energy Regulators (ACER)	€ 7,418,497	€ 7,418,497	€ 7,241,850
European Network and Information Security Agency (ENISA)	€ 8,534,014	€ 8,534,014	€ 8,335,800
Body of European Regulators for Electronic Communications (BEREC)	€ 4,596,140	€ 4,396,140	€ 4,292,937
Office for Harmonisation in the Internal Market (OHIM)	€ 162,785,000	N/A	N/A
European Centre for the Development of Vocational Training (CEDEFOP)	€ 17,908,900	€ 17,838,900	€ 17,433,900
Preservation and management of natural resources			
European Environment Agency (EEA)	€ 41,684,610	€ 41,684,610	€ 36,309,240
Community Fisheries Control Agency (CFCA)	€ 9,216,900	€ 9,216,900	€ 9,216,900

Community Plant Variety Office (CPVO)	€ 12,972,000	N/A	N/A
Freedom, security and justice			
European Agency for the Management of Operational Cooperation at the External Borders (FRONTEX)	€ 93,960,000	€ 93,960,000	€ 89,500,000
European Asylum Support Office (EASO)	€ 10,000,000	€ 10,000,000	€ 10,000,000
European Union Agency for Fundamental Rights (FRA)	€ 20,376,020	€ 20,376,020	€ 20,196,000
European Police Office (EUROPOL)	€ 84,075,000	€ 83,655,000	€ 83,655,000
European Police College (CEPOL)	€ 8,450,640	€ 8,450,640	€ 8,450,640
Eurojust	€ 32,967,000	€ 32,967,000	€ 32,967,000
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	€ 16,219,056	€ 16,219,056	€ 15,550,920
Agency for the operational management of large-scale IT systems in the area of freedom, security and justice	€ 19,800,000	€ 19,800,000	€ 19,800,000
Citizenship			
European Centre for Disease Prevention and Control (ECDC)	€ 58,090,000	€ 58,090,000	€ 56,727,000
European Food Safety Authority (EFSA)	€ 78,129,780	€ 78,129,780	€ 78,129,780

EU as a global player			
European Training Foundation (ETF)	€ 20,044,530	€ 20,044,530	€ 20,044,530
Administration			
Translation Centre for the bodies of the European Union	€ 44,941,300	N/A	N/A
Total for Decentralised Agencies	€ 1,361,793,457	€ 743,724,024	€ 725,821,148
European System of Financial Supervisors			
European Banking Authority (EBA)	€ 20,747,000	€ 20,747,000	€ 20,421,000
European Securities and Markets Authority (ESMA)	€ 20,279,000	€ 18,079,000	€ 17,815,000
European Insurance and Occupational Pensions Authority (EIOPA)	€ 15,655,000	€ 15,655,000	€ 15,390,408
European Systemic Risk Board	N/A	N/A	N/A
Total for EFSF Agencies	€ 56,681,000	€ 54,481,000	€ 53,626,408
Executive agencies			

Education, Audiovisual and Culture Executive Agency (EACEA)	€ 49,749,540	€ 49,749,540	€ 46,698,000
European Research Council Executive Agency (ERCEA)	€ 39,928,200	€ 39,928,200	€ 39,000,000
Executive Agency for Health and Consumers (EAHC)	€ 7,211,848	€ 7,211,848	€ 7,070,000
Research Executive Agency (REA)	€ 48,465,000	€ 48,465,000	€ 47,339,000
Trans-European Transport Network Executive Agency (TEN-T EA)	€ 9,805,000	€ 9,805,000	€ 9,805,000
European Institute for competitiveness and innovation (EACI)	€ 16,377,500	€ 16,377,500	€ 15,680,000
Total Executive Agencies	€ 171,537,088	€ 171,537,088	€ 165,592,000
European Institute of Innovation and Technology			
European Institute of Innovation and Technology (EIT)	€ 82,771,000	€ 82,771,000	€ 80,884,000
European Joint Undertakings			
European Joint Undertaking for ITER and the Development of Fusion Energy (Fusion for Energy)	€ 572,731,680	€ 572,731,680	€ 456,900,000
Innovative Medicines Initiative (IMI) Joint Undertaking	€ 312,890,000	€ 307,140,000	€ 300,000,000

Clean Sky Joint Undertaking	€ 168,630,000	€ 143,332,000	€ 140,000,000
ARTEMIS Joint Undertaking	€ 56,800,000	€ 56,800,000	€ 55,479,586
ENIAC Joint Undertaking	€ 57,727,100	€ 56,419,700	€ 55,020,219
Fuel Cells and Hydrogen (FCH) Joint Undertaking	€ 83,141,221	€ 79,869,709	€ 78,013,000
SESAR Joint Undertaking	€ 133,891,106	€ 109,994,680	€ 108,600,000
Total Joint Undertakings	€ 1,385,811,107	€ 1,326,287,769	€ 1,194,012,805
Common Security and Defence Policy agencies			
European Defence Agency (EDA)	€ 29,190,000	€ 27,686,000	€ 27,686,000
European Union Institute for Security Studies (ISS)	€ 4,000,000	€ 4,000,000	€ 4,000,000
European Union Satellite Centre (EUSC)	€ 16,981,617	€ 12,333,393	€ 12,333,393
Total CSDP agencies	€ 50,171,617	€ 44,019,393	€ 44,019,393
TOTALS	€ 3,324,085,340	€ 2,638,135,345	€ 2,479,275,825