

OpenBudgets.eu: Fighting Corruption with Fiscal Transparency

Project Number: 645833 Start Date of Project: 01.05.2015 Duration: 30 months

D6.4 Press release and other media products

Dissemination Level	Public
Due Date of Deliverable	Month 21 30.02.2017
Actual Submission Date	07.06.2017
Work Package	WP6, Test Beds and Evaluation - Transparency
Task	T6.1, T6.3
Туре	Websites, patents filling, etc.
Approval Status	Pending
Version	Final
Number of Pages	22
Filename	D6.4_Press release and other media products

Abstract: This communications material represents the traditional media products produced and published within the context of Work Package 6: EU Advocacy Test Bed. These media outputs have reflected the key areas of interest of EU policy makers related to open budget and spending and main milestones in the project. All of the traditional media activity was accompanied, throughout the project, by sustained social media outputs.

The information in this document reflects only the author's views and the European Community is not liable for any use that may be made of the information contained therein. The information in this document is provided "as is" without guarantee or warranty of any kind, express or implied, including but not limited to the fitness of the information for a particular purpose. The user thereof uses the information at his/her sole risk and liability.





Following on from the main areas of interest identified by EU policy makers in Task 1,

History

Version	Date	Reason	Revised by
0.1	12.02.2017		Nicholas Aiossa
0.2	15.05.2017	Updating	Nicholas Aiossa
0.3	24.05.2017	Reviewed	Anna Alberts
0.4	04.06.2017	Reviewed	Michael Peters

Author List

Organisation	Name	Contact Information
TI EU	Nicholas Aiossa	naiossa@transparency.org
TI EU	Alex Johnson	ajohnson@transparency.org
OKDE	Michael Peters	michael.peters@okfn.de



Executive Summary

This deliverable represents the traditional media material produced within the context of Work Package 6 to date. Task 1 carried out a needs assessment of EU policy maker related to budget and spending information, with particular focus on the European Parliament's Budgets and Budgetary Control committees. Two key areas of concern that were highlighted in relation to open, transparent, and accountable spending of EU funds were European Structural and Investment Funds (ESIF) and spending by MEPs and parliamentary political groups. Traditional media products have stressed these two issues, within the context of the aims of the project as well as with accompanying policy recommendations. Extensive other mediarelated activities, such as social media and journalists' briefings, are charted within the analytical data recorded in Work Package 8. All of these sought to: 1) highlight the project and its aims, 2) open data in public budgets, and 3) the key areas of interest identified in the EU policy makers' needs assessment.

Abbreviations and Acronyms

MEP	Member of the European Parliament
GEA	General Expenditure Allowance
OLAF	EU Anti-Fraud Office
UKIP	United Kingdom Independence Party
CSV	Comma-Separated Values
JSON	JavaScript Object Notation
CCI	Common Code for Identification
ESIF	European Structural and Investment Funds



Table of Contents

1. Website Content	6
1.1 Budgets & bluebells in Brussels: Springtime in the European Parliament	6
1.2 Slovenia Ranks Highest in ESIF Data Quality Index	9
1.3 Three ways MEPs can fiddle expenses	12
1.4 We need to talk about MEPs' expenses	15
1.5 Renaming the English Channel and the need for Open Budgets	17
2. Press Releases	19
2.1 OpenBudgets.eu to advance fiscal transparency in Europe	19
3. Newsletter	20
3.1 Follow the money: OpenBudgets.eu	20
4. Canalysian	22



1. Website Content



1.1 Budgets & bluebells in Brussels: Springtime in the European Parliament

Author Nicholas Aiossa Date 26 April, 2017

<u>Update:</u> On the 27th of April a majority of MEPs voted against amendments to increase transparency and financial accountability of the General Expenditure Allowance, specifically voting against keeping separate bank accounts, keeping any receipts, or having to pay unused money back at the end of their mandate. See voting details <u>here</u>.

It is that time of year again here in Brussels. As predictable as the bluebells blooming in *les bois* bordering the city, the Parliament will be voting once again this week on its annual financial <u>discharge report</u>. And, once again, MEPs will be debating and voting on whether their own allowances will be given any transparency or accountability.

MEPs are entitled to a number of allowances designed to help carry out their mandate. The problem child of these various allowances is the General Expenditure Allowance (GEA). This budget line is meant for office expenses related to their work as a MEP, such as rental costs for constituency office space, phone bills, or office supplies. The GEA amounts to € 4,342 per month/per MEP and the Parliament transfers this sum to the MEPs' bank account of their choosing, including their own personal accounts by default. The spending under this budget line amounts to just under €40 million a year in taxpayers' money.



No Transparency. No Receipts.

For public funds, the GEA occupies a unique position as possibly being the only EU budget line that completely lacks transparency and, more astonishing, absolutely no financial controls. Despite the impression that the GEA is an additional salary for MEPs or some magical pot of money to be used as desired, it is not. It is public money that has rules in place in the Members' Statute, accompanying implementing measures and financial regulation, on how it must be spent. There are also internal guidelines that are given to MEPs to clarify what this money should be used for.

Yet, as we <u>confirmed</u> last year through an <u>access to document appeal</u>, the Parliament cannot shed any light on how individual MEPs are spending their office allowance. This is for the simple reason the Parliament does not possess any documents. No receipts. No financial spot checks. No audits. Nothing. The only certain fact we can be sure of is that MEPs are spending the money. It follows that the money that is not used for its intended purposes should be paid back to the Parliament. However, the <u>Secretary General confirmed</u> that 98.4% of all MEPs in 2014, including departing ones from the last mandate, used the full amount of their GEA, down to the last centime.

Despite the <u>majority of MEPs</u> calling for the auditing of the GEA, the Secretary General has maintained his <u>position</u> that auditing this allowance would take 45-75 new staff members, though it's unclear how this figure was arrived at, and thus be too expensive. The Parliament's Bureau, comprised of the President and Vice Presidents, has also displayed strong resistance to addressing the GEA. MEPs have rightly adopted measures to improve transparency and financial scrutiny of EU funds in order to prevent fraud and misuses in the Member States. Yet, they are quite comfortable in allowing their own allowances to remain in an appalling black hole of fiscal accountability and transparency.

Opposing Forces

Page 7

Some MEPs have already decided to partially fill the accountability shortfall left by the Parliament. In 2009, Westminster was rocked by an expenses scandal that saw MPs abusing their allowances to, among other things, subsidise their own property development, improperly pay for their own mortgages and purchase the now infamous £1,600 <u>duck house</u>. While this scandal initiated long-overdue reforms of the UK system, it also prompted changes among the UK delegations in the European Parliament. Realising the fraud risk of unchecked public spending by politicians and the political damage misuse can cause among voters, British delegations in Brussels began submitting their expenses for external professional audits on a periodic basis for their GEA and published the details. These published accounts include every UK MEP delegation, such as the <u>Conservatives</u>, <u>Labour</u>, and <u>UKIP</u> (for a time). Individual MEPs from other national political parties, also believe in the importance of auditing and publishing details on their use of the GEA, such as <u>Benedek Jávor</u> and <u>Roberta Metsola</u>.

Whereas some MEPs of all political stripes have increased transparency and accountability to the GEA, others have been equally united in thwarting these types of efforts. Many national

	* * * * * * * * * * * * * * * * * * * *



delegations, mostly from the two largest political groups, have proactively attempted to prevent any attempts at changing the status quo. Last April was significant in that the Parliament, for the first time, adopted a <u>report</u> that called for full transparency and auditing of the GEA. These amendments were ultimately, yet narrowly, passed, even though, all of the EPP and many members S&D <u>voted against</u> (*Amendments 1 and 7, pp. 82-85*).

When Parliament's political leadership, the Bureau, was reminded of this report's demands in their <u>meeting last December</u>, a robust opposition front against any changes to the status quo emerged. This included then-president Martin Schulz, Vice President Alexander Graf Lambsdorff and Vice President Rainer *Wieland*. British Conservative Member Richard Ashworth's recently adopted another <u>report</u> reiterating calls for transparency of the GEA, despite <u>amendments</u> in committee aimed at deleting or watering down the wording.

Easy Interim Fix

Despite parliamentary protests of administrative burden and the need for dozens of new civil servants to institute financial controls on the GEA, there is an easy budget-neutral fix. The Bureau of the Parliament could decide to earmark a percentage of a MEP's secretarial or GEA existing allowances for carrying out an external professional audit. There already is precedent for the Bureau earmarking allowances and it is a decision that could be made as soon as their next meeting in Strasbourg on the 15th of May. It should be an interim measure only, establishing best practices, until the Parliament installs proper financial control mechanisms. There is no doubt that a lack of accountability involving elected parliamentarians erodes public trust and any subsequent scandals amplifies this while simultaneously feeding into the Eurosceptic narrative. Given past allegations and convictions over misuse of their other allowances, the risk of fraud and potential scandal involving the GEA should be of great concern to the MEPs, the Parliament, and its leadership. However, it is not.

There is a growing awareness and subsequent pressure to change the current MEPs' expenses system by bringing about more transparency and accountability of public money. This year will most likely see a ruling by the European Court of Justice on a <u>case</u> brought against the European Parliament by 28 journalists for its refusal to release documents relating to MEPs' expenses, including the General Expenditure Allowance. A number of civil society organisations, including Transparency International EU, are also working on a project called <u>openbudgets.eu</u>, which aims to provide tools for public spending data, so that citizens, journalists and civil society can verify how tax payers' money is being spent.

It is finally time for the Parliament to get its own house in order and put in place robust transparency and accountability rules on how MEPs spend public money.

The European Parliament needs to:

Page 8

• Immediately adopt a Bureau decision earmarking a percentage of the Secretarial allowance or the GEA for MEPs to carry out an external professional audit of the GEA, which should serve as an interim measure;

 	 *



- Carry out a parliamentary internal audit of the General Expenditure Allowance, as already stipulated in the European Parliament discharge report;
- Supply additional internal resources for the Directorate General of Finance to put into place robust financial control mechanisms for all MEP allowances, including the GEA;
- Increase transparency and publish details of how MEPs spend public money, in open source format;
- Provide clearer guidelines for MEPs on the GEA.

1.2 Slovenia Ranks Highest in ESIF Data Quality Index

```
.scrollspy=d, this}, a(window).on( loadstand processes of the second processes
```

The following is a guest blog by Michael Peters of <u>Open Knowledge Foundation</u> <u>Germany</u> which first appeared <u>here</u>.

OpenBudgets.eu has just launched the European Structural Funds Data Quality Index. Slovenia ranks highest, based on high data quality and high accessibility and usability of its portal. Denmark comes in second, they provide outstanding data quality in machine readable format, with the website being slightly harder to locate and access. Countries that have not published their 2014-2020 beneficiary data yet, were severely punished in the rankings. That is the case for Austria, Cyprus, Ireland and Spain, their websites are not up to date, no new data is included and hence none of the required EU variables are provided.

The ranking is based on the combination of two scores: Portal and Data Quality. The portal score is based on the overall usability and accessibility of the portal, English translations and



#	Country	Overall Score	Score: Portal (2x)	Score: Data Quality
1	Slovenia	20	10	10
2	Denmark	19	8	11
3	Greece	18	8	10
4	Hungary	16	6	10
4	Luxembourg	16	6	10
6	Malta	15	4	11
6	Germany	15	4	11
6	United Kingdom	15	4	11
9	Slovakia	15	6	9
9	Finland	15	8	7
9	Bulgaria	15	10	5
9	Lithuania	15	10	5
9	Poland	15	10	6
14	France	14	4	10
14	Netherlands	14	4	10
14	Romania	14	4	10
14	Sweden	14	4	10
14	Belgium	14	8	6
14	Portugal	14	8	6
20	Croatia	13	6	7
20	Italy	13	8	5
22	Estonia	12	6	6
23	Latvia	11	6	5
24	Czech	10	6	4
25	Austria	2	2	0
25	Cyprus	2	2	0
25	Ireland	2	2	0
25	Spain	2	2	0

the openness of the data formats. Poland, Bulgaria, Slovenia, and Lithuania get the highest scores for the portal. The Data Quality score ranks the member states based on the completeness of the datasets and the number of variables provided. High scoring countries such as Denmark, Germany and the United Kingdom offer the most complete dataset, detailing



information beneficiaries, projects, requested sums, dates, and locations in machine readable format.

Our analysis showed that only 16 of 28 EU member states have an English version of their portal, closed data formats are still common with two PDFs and five web apps being used with a total of 24 member states that published their data so far in the 2014-2020 period. However, in comparison to the 2007 – 2013 funding period, the quality of the data and the level of openness has improved. These findings are based on the data collected for <u>subsidystories.eu</u>, which shows how almost 300 Billion in European Subsidies are spent.

EU Regulation No 1303/2013 from December 2013 requires the member states to create a single website providing all viable information on their operational programmes and publishing their beneficiary data in a machine-readable format. Comparative analysis between the two funding periods showed that substantial progress was made with the introduction of this regulation. Open Knowledge Germany and Open Knowledge International collected all data for the 2007-2013 and 2014-2020 funding periods, funded jointly by Adessium and OpenBudgets.eu.

The current funding period shows more machine readable data formats and the data quality has increased. Nonetheless, member states are still slow regarding the data's publication and some member states are not complying with regulatory data publication requirements. For the data to become useable for further analysis, the datasets are still missing crucial information. The first analysis showed that for gathering in depth insights from the data the amount and date information needs to be improved. Furthermore, to allow for comparative analysis, for links to the EU programs, and for geographic analysis, additional data is needed. That is why the report makes the following 10 recommendations to improve the quality and usability of the data:

- 1. Require member states to make websites available in English
- 2. Make CSV or JSON the mandatory format for beneficiary data
- 3. Include information on legal form of beneficiary
- 4. Require standardised date-notation

Page 11

- 5. Provide standardised way to make non-Euro amounts comparable
- 6. Provide the following amounts: applied, allocated, and paid out
- 7. Provide project funding broken down by EU Amount, Member State Amount, Third Party Amount, and a total Amount
- 8. Provide information on the following dates and milestones in the project: start, finish, payment date and duration

• • • • • • • • • • • • • • • • • • • •	 •	• • • • • • • • • • • • • • • • • • • •



- Provide sufficient information to link the beneficiary lists to the programmes by CCI codes
- 10. Provide sufficient geographical information for both beneficiary and project location

Read the full Report.

1.3 Three ways MEPs can fiddle expenses



Author

Nicholas Aiossa

Date

27 January, 2017

The Westminster <u>expenses scandal</u> in the UK back in 2009 made headlines with journalists uncovering parliamentarians using their expenses to redecorate their home homes, evade taxes and one MP even used expenses to build a <u>duck house</u>. This led to a <u>massive overhaul</u> of how the whole expenses system was run and increased transparency around what MPs were spending tax payers' money on.

The same sort of scandal has yet to emerge on a mass scale with Members of the European Parliament (MEPs). But that does not mean that there are not loopholes in the expenses system which are open to abuse. With more transparency and accountability these loopholes can be shut down. Here's some loopholes in the system that allow the potential for the misuse of MEPs expenses.

Background



The secretarial allowance, used by MEPs to pay their staff, amounts to €24,164 monthly per MEP. Along with the <u>general expenditure allowance</u> this EU budget line has repeatedly been the subject of fraud and misuse by MEPs.

The latest example has seen Marine Le Pen and Front National embroiled in a <u>fraud case in France</u> and having the <u>European Parliament trying to recover €339,000</u> for misusing their staff allowance. But this budget line has been a risk area for years. The infamous 2008 European Parliament <u>Internal Audit Report</u>, also known as the "Galvin Report" after the internal auditor who authored it, documented risks in the control of these expenses and the numerous ways MEPs were fiddling with it; from concluding service provider contracts with companies owned by the MEP to funnelling money back to domestic political parties.

There are five categories of staff that MEPs can use their allowance to pay. Accredited Parliamentary Assistants, who are based in Brussels and who maintain a direct contract with the Parliament. Local parliamentary assistants, who are based in an MEP's constituency and have a private employment relationship with the MEP. Service provider and intern contracts, which are temporary contracts signed with the MEP, and paying agents, who manage the local contracts to ensure the requisite national taxes and contributions are paid.

Since 2008, the statutory and internal rules on transparency have improved. Rules governing contract controls have been enhanced and the names of assistants and service providers are now published on the <u>Parliament's website</u>. Yet, we still see irregularities and fraudulent activities by MEPs with their staff allowance.

Just this week the Parliament confirmed in an internal document that 109 separate investigations were carried out in 2015 concerning the "parliamentary assistance allowances (budget line 4220), of which 96 resulted in partial or full recover, 2 in refusals and 1 was communicated to OLAF."

The public scandals around this issue tends to point to three ways MEPs enjoy misusing EU public money for staffing arrangements.

Personal Gain

Page 13

Some MEPs have used their staff allowance purely for personal gain. Former Member of the European Parliament <u>Peter Skinner</u> was sentenced to a four-year jail sentence for fraudulently claiming about €120,000 over five years, which was used to pay for among other things, alimony and a trip to Hawaii. He did this by doctoring employment documents and skimming off the top of his staff allowance payments.

Another former MEP, Ashley Mote, was found guilty in 2015 and <u>sentenced to for five years in jail</u> for fiddling over €400,000 in European Parliamentary allowances. Among other things Mr. Mote used this ill-gotten public money to pay for his mortgage and personal legal bills.

Creative Thinking on Keeping in it the Family

There have been demands this week for French presidential candidate François Fillon to explain payments of €500,000 to his wife from public funds but this had been a common



practice for years in the European Parliament. Until the introduction of new rules in 2009 any MEP could employ their immediate family as parliamentary staff. MEPs who were still employing spouses in 2009 had a 'transitional' period of five full years they could continue employing them; and many took advantage of this loophole. In 2013 Marie Le Pen employed her 'partner' now-MEP Loius Aliot as an assistant. Nigel Farage had employed his wife since 2006 as a parliamentary assistant. When the complete ban entered into force in 2014 it was fellow UKIP MEP Raymond Finch who hired her to be his parliamentary assistant. Several Latvian MEPs have followed suit by employing each other's relatives as parliamentary interns. Members of the parliament need to begin to honour both the letter and spirit of the rules.

Feeding the Domestic Party Beast

This allowance is particularly vulnerable to MEPs funnelling resources back home to their domestic political parties, which is in contravention of the rules. As previously mentioned, this is exactly what FN has been accused of; essentially paying more than a dozen FN domestic party staff members out of a budget that is meant to exclusively be used for the MEPs' European parliamentary work. UKIP MEP Nathan Gill is <u>being investigated</u> for similar charges of using his allowances for domestic political activities including campaigning. This is not the first time UKIP has been embroiled in this type of scandal; in 2012 <u>UKIP MEPs were ordered</u> to repay roughly €43,000 for diverting their allowances to pay for domestic party workers.

More Transparency Needed

Page 14

Whilst it's clear that there are loopholes in the system which have been shown to increase the bank balances of some MEPs, there are straight forward steps which can be taken to curb these practices.

The European Parliament needs to:

- Increase transparency and publication of details on staffing arrangements, especially service providers and the services provided;
- Increase resources given to DG Finance and DG Personnel to systematically scrutinise documents submitted by MEPs;
- Ensure an effective information sharing arrangement between DG Finance and DG Personnel in order to properly control the use of the secretarial allowance;
- Ensure MEPs adhere to both the spirit and letter of the rules in place prohibiting nepotism.
- Provide clearer guidelines for MEPs on what this budget line cannot be used on.

It is not only us who see that more transparency and accountability is needed when it comes to how MEP spend public money. In 2015, Journalists from all 28 EU Member States brought a <u>case</u> to the European Court of Justice against the European Parliament for their refusal to release documents relating to MEPs' expenses, including the Staff Allowance.

Transparency International EU submitted a similar access to documents request for information on MEP allowances, which was <u>denied</u> for a host of reasons by Ildikó Gáll-Pelcz, MEP, the Vice-President of the European Parliament, in charge of responding to access to documents requests.

 •	



Even <u>Commissioner Vestager has also said</u> recently of MEP expenses that there is a public interest in showing that spending is done "in a proper and transparent way".

OpenBudgets.eu

Transparency International EU believes in open budget and spending data. The best way to ensure that public money is used properly is through transparency and accountability. That is why we are working on a project called <u>openbudgets.eu</u>. This will serve as a one-stop-shop for EU budget data, so that citizens, journalists and civil society can check how tax payers' money is being spent. We believe the public should be able to scrutinise how MEPs spend their expenses.

If budget data is accessible in an open and readable format it benefits us all. It means an MEP will be less likely to misuse allowances as it will allow citizens, NGOs and journalists to check how EU money is being spent and help hold that expenditure to account.

1.4 We need to talk about MEPs' expenses



Author

Nicholas Aiossa

Date

17 October, 2016

This year has seen a number of Members of the European Parliament (MEPs) getting into trouble over the use of their expenses. Former MEP Peter Skinner was sentenced to a four-year jail sentence for fraudulently claiming about €120,000 over five years, which was used to pay for, among other things, alimony and a classic car. Unfortunately, this was not an isolated case. Tom Wise, a former UKIP MEP, was sentenced to two years in prison after spending



thousands of his office allowance on crates of vintage wines and personal credit card bills. And the *Front National* delegation of Marine Le Pen in the European Parliament has been <u>referred to OLAF</u> (the European Union Anti-Fraud Office) for possible fraud involving staff allowances. Just under €40 million a year is spent on MEPs' offices expenses, which amounts to €4320 per month per MEP. This money, known as the General Expenditure Allowance (GEA), goes, by default, directly into MEPs' personal bank accounts each month, meaning that no one can check how they spend this money. With this lack of scrutiny, it is no surprise that there have been some issues with expense usage. The lack of oversight afforded to this sum of money is unique. It is hard to imagine MEPs agreeing to a €40 million annual payment of EU funds without an ounce of financial scrutiny, in any other context. Yet, year after year, this is exactly what happens with their own expenses.



Ex-MEP admits to expenses racket

A former British MEP has admitted fiddling £36,000 worth of expenses after switching his plea at his trial.

Tom Wise, 61, from Leighton Buzzard in Bedfordshire, denied charges of false accounting and money laundering during the case at Southwark Crown Court

But the former MEP for the East, who was thrown out of the UK Independence Party (UKIP), has now pleaded guilty.

Wise took the money between 14 December 2004 and 24 December 2005, and spent it on cars and wine the court heard.



Tom Wise represented East Anglia in the European Parliament

Could this be the year that real progress is made for transparency and accountability of how MEPs spend their €40 million a year in office expenses? There are glimmers of hope. Despite the Secretary General's <u>reluctance</u>, in the most recent Parliamentary <u>discharge report</u>, MEPs themselves have now called for both greater transparency and the need to urgently audit the GEA. Some MEPs have already decided to fill the accountability shortfall. For example, domestic MP expenses scandals in the UK prompted both the <u>Conservatives</u> and <u>Labour</u> delegations in the European Parliament to have their general EU expenses audited since 2011. There is growing external pressure to change the expenses system. In 2015, Journalists from all 28 EU Member States brought a <u>case</u> to the European Court of Justice against the European Parliament for their refusal to release documents relating to MEPs' expenses, including the General Expenditure Allowance. Transparency International EU strongly supports this initiative and has submitted its own access to documents request for information on MEP allowances, which was <u>denied</u>.



In <u>response</u> to our <u>appeal</u>, Ildikó Gáll-Pelcz, MEP, the Vice-President of the European Parliament, in charge of responding to access to documents requests, unwittingly highlighted the contradiction in the current framework. First, she states that the European Parliament does not have any documents concerning the details of how the €40 million is spent. Then she states: "I would like to underline that the use of allowances allocated to MEPs is subject to stringent rules and comprehensive control mechanisms." However, in the case of the GEA, this is not true.

It is time for the Parliament to put in place robust transparency and accountability rules on how MEPs spend public money. This is not something that only transparency and open-data activists want. We asked MEPs themselves if they wanted greater oversight of budgets and on what and how EU money is spent and they overwhelming said yes. So we are asking MEPs now to embrace this desire for oversight and transparency and enact it for their own budget lines.

Transparency International EU believes that the best way to ensure that public money is used properly is through transparency. That is why we are working on a project called openbudgets.eu. This will serve as a one-stop-shop for EU budget data, so that citizens, journalists and civil society can check how taxpayers' money is being spent. We believe the public should be able to scrutinise how MEPs spend their expenses. It would mean an MEP will be less likely to get away with using his or her expenditure allowance on buying a classic car. But it would also mean that MEPs would be able to see where a sizeable amount of EU operational costs are spent, and help it to be spent more effectively. If MEPs' expenses were available online on a platform like openbudgets.eu, it would act not just as a deterrent to wrongdoing but also as an incentive for expenses to be spent efficiently.

1.5 Renaming the English Channel and the need for Open Budgets





Author

Nicholas Aiossa

Date

8 April, 2016

All this talk of the UK referendum and Brexit is bringing back old stories about the EU peddled by the British press. We've all heard the stories about Brussels banning bendy bananas or curvy cucumbers. But there are many more euro-tales from the UK papers. Some include: "European MEPs cost £1.79m a year each – three times as much as MPs" and "How Eurocrats want to spend £1.1m changing the English Channel's name to 'Le Pond'".

While it would be hilarious if the English Channel were renamed 'Le Pond', it's <u>unfortunately not true</u>. Most of these stories are concocted or twisted by journalists. A lack of clear and easily accessible facts about the EU often makes it easy for journalists to create interesting, if inaccurate stories about EU regulations which are typically rather dull. Many of these 'horror stories' refer to how EU money is spent on ludicrous projects or wasted, like spending over a million pounds on renaming the Channel.

Spurious stories about the EU budget in particular are often hard to prove or disprove. It's difficult for the average person, untrained in navigating the <u>maze of EU</u> documents and websites, to trace how EU money is spent.

The EU budget is huge at €155 billion for 2016, and it affects us all. EU money pays for schools, hospitals, the Erasmus student exchange, films, wine, fish, aid, and science programmes. A lack of transparency around European, national and local budgets leads to miss information, a lack of accountability and in some cases fraud or even corruption.

That's why we at Transparency International EU are working with a consortium of journalists, academics and activists across Europe to bring about a new platform to make public funds more transparent. OpenBudgets.eu will provide an overview of public spending as well as the tools, advice and knowledge on how to bring about fiscal transparency at the local, national and EU levels.

It's not just for ordinary citizens and journalists to separate fact from fiction around the EU budget. Members of the European Parliament (MEPs) tend to be busy people. Overworked and understaffed they usually find it difficult to balance their work on committees, with their time representing constituents. It's not easy for them either to trawl through EU documents, especially financial ones.

So we asked a bunch of MEPs and Parliament staff <u>their views</u> on how greater budget transparency could help them in their day-to-day work. They told us that transparency of data was vital but they also needed context. A way of seeing how much is spent where in the bigger picture.

Page 18			



What they want from budget transparency is for the information they receive to tell a story. MEPs need to see how much is spent on what and have that comparable with other audit and activity reports. They want to see trends on how money is spent and in what areas.

MEPs have a big interest in EU cohesion funds. The money which goes to fund infrastructure and development projects across Europe. They want to be able to see that EU money isn't being spent on <u>roads which are never finished</u>. That money doesn't end up <u>stuffed into wine boxes</u> belonging to a corrupt politician.

They may really care for example that €25 million is spent on the <u>European Police College</u> to provide training on cross-border crime, because that's what interests their constituents. But they usually don't have time to look into how much is spent on conference venues or name badges or <u>communications</u>.

And while they all asked for more openness and transparency, it all comes down to political will. Developing the OpenBudgets.eu platform will only be the start. Then we need to encourage policy makers to make budget data at the EU, national and local levels open, transparent, and accessible. Then perhaps it'll be easier to know whether or not to trust stories about barmy Brussels spending millions on renaming the Channel.

2. Press Release



2.1 OpenBudgets.eu to advance fiscal transparency in Europe

10 November, 2015

Berlin, November 10, 2015 - OpenBudgets.eu, a new project promoting transparency and accountability in the domain of public spending, is launched. The Horizon2020-funded project



provides journalists, civil society organisations, NGOs, citizens and public administrations with the tools, data and stories they need to advocate and fight for fiscal transparency.

"Democratic political life as we know it is inconceivable without public access to information about public money" says Jonathan Gray, director of Policy and Research at Open Knowledge.

While an increasing amount of budget and transaction data is made publicly available in Europe, different data standards and accounting models restrict its utility. Sören Auer, professor in Enterprise Information Systems at Fraunhofer and Bonn University and coordinator of OpenBudgets.eu: "The heterogeneity and lack of standardization of Open Spending and Budget data prevents many interesting applications from being realized", such as "the comparative analysis between different cities or regions, to improve the efficiency and effectiveness of public spending".

OpenBudgets.eu aims to solve this issue by developing a platform that will be easy-to-use, flexible, and capable of interpreting previously incompatible types of budget and spending data. The platform's users will be able to simply upload, visualise, and analyse public budget and spending data to explore and learn stories behind it.

In May this year the project started and the first milestones have already been reached. We are currently seeking the input from its future user groups by actively involving them. The first stakeholder workshop will take place at the end of November in Berlin. The OpenBudgets.eu team invites those who are interested in giving input to get in touch with them.

OpenBudgets.eu is a 30-month project run by an international consortium of nine partners: Open Knowledge International, Journalism++, Open Knowledge Greece, Bonn University, Fraunhofer IAIS, Open Knowledge Foundation Deutschland, Fundación Civio, Transparency International-EU, and University of Economics, Prague.

More information: http://openbudgets.eu

3. Newsletter

3.1 Follow the money: OpenBudgets.eu



Page 20

·····



The EU Transparency Register: quality not just quantity

Many of us in Brussels have long suspected that there are serious problems with the quality of information filed on the EU Transparency Register, but so far there has never been a systematic check. To date there have only been individual complaints about declarations, until this September when TI EU filed a total of 4,253 complaints with the Joint Transparency Register Secretariat. To put this into perspective, this means that more than half of all declarations are now under close scrutiny for filing false or misleading information. A month into the follow-up, about 150 organisations have already been kicked off the Register following our complaints.



Next steps: We are now waiting and see how many more will be removed and which lobby organisations update their information. But more importantly, as this exercise has shown, the voluntary Register has clearly failed. We will continue to closely monitor what lessons will be drawn from this for the upcoming negotiations on an Inter-Institutional Agreement reforming the Register.

For more information contact Yannik Bendel.

Follow the money: OpenBudgets.eu

In 2014 the EU spent €142 billion and for the same year the EU's anti-fraud office (OLAF) recommended that €900 million in misused funds should be recovered. In order to bring more transparency and accountability to budgets and public spending we have started an exciting new project: OpenBudgets.eu. With a consortium of project partners, including the Fraunhofer Institute, Open Knowledge Foundation and Journalism ++, we will aim to provide an online one-stop-shop platform for EU budget data. It will allow citizens, civil society organisations, journalists and policy makers to scrutinize budget allocations and expenditure and reduce the possibility of corruption.



Our office will be doing outreach to key MEPs to promote the project, budget transparency and the benefits of open data generally. As public procurement remains a high risk sector for corruption, we will also be focusing on examining the quality of cohesion and structural fund data that member states will be obligated to publish in this 2014-2020 funding period.

For more information contact Nick Aiossa





4. Conclusion

The aforementioned media outputs have highlighted the project, open data, and key policy areas for Work Package 6. Through network dissemination, bi-lateral briefings, and social media activities, they have generated a number of press mentions, as evidenced in Work Package 8 analytics. Traditional media products will continue to be produced and published, corresponding to key moments in the remaining duration of the project.

Page 22

.....