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The Tangled Web:  
Dealing with EU Agencies  
after Brexit

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# The Tangled Web: Dealing with EU Agencies after Brexit

## Background

This paper aims to clarify some of the purposes, activities and wider background behind the various agencies (or quangos)<sup>1</sup> funded by the EU. It also analyses the attitude of the UK in relation to its new, more global interests, its traditional stance towards EU action in certain policy areas and the financial costs of certain of the agencies in order to try to indicate which way the UK should lean when it comes to assessing continued membership post-Brexit. Our estimate places the annual cost of these 53 quangos at around €10.1 billion, employing over 15,000 staff.<sup>2</sup> In the great majority of cases, it will be neither necessary nor desirable for Britain to remain a member.

The term “quango” describes an ostensibly non-governmental organisation performing usually operational (and theoretically apolitical) governmental functions. These can include activities like assessing licenses and certification, but can also include environmental regulators and arbitration over areas of the private sector that have particular sensitivities such as food or banking. While these bodies are usually unaffected by day-to-day politics, their funding is generally derived from central government. As such, most maintain their office budgets without reference to the government of the day. While this means important government operations have been insulated from political upheaval over many years, it also means most quangos are now seen by the UK public as unaccountable and lacking the incentive to reform or respond to changing circumstances.

In this paper, a Euroquango is a body of the same design created by the European Commission, the EU’s Executive. Euroquango powers generally supersede those of national quangos in order to promote common EU rules. These result in integration and a convergence of governance of specific sectors.

The UK’s decision to leave the EU now means that many of these Euroquangos are of limited use to the UK and some may even act against the UK’s wider interests. Leaving offers an opportunity, not just to repatriate powers over certain areas to domestic bodies, but also to take things much further. Restoring some of these powers to central departments, to a sovereign Parliament and then devolving where appropriate to the regions and beyond could be one of the biggest potential benefits of Brexit as yet unrealised.

The default recommendation of this paper is to advocate full withdrawal, on the assumption that the UK will continue to voluntarily cooperate in many cases on the same grounds that it does with US or other non-EU government agencies. The reasons for this, other than the political vote to leave the EU, have three practical strands, but always ultimately come under the umbrella of EU integration.

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<sup>1</sup> Literally meaning the EU’s “quasi-autonomous non-governmental organisations”.

<sup>2</sup> Full breakdown of budget estimates on page 63. Note that some budgets include extra income from fees for services, income from non-EU contributors or are estimates of annual costs based on contract budgets spanning several years.

## Types of Association

The first strand is the connection some agencies have to policy-making. To take just foreign policy as an example, EU countries' foreign policies are divided, leaving EU common foreign policies ambiguous, as the case with sanctions on Russia clearly indicates. The danger of the UK continuing to work with EU institutions in this field is that foreign policy interests become blurred between national and EU priorities, or in extreme cases may lead to rivalries with the UK's other international partners such as the USA.

Another strand is for agencies to be entrusted with powers similar to central planning and micromanagement of society, a type of government that the UK left behind in the 1970s. In this way, education, training and certain allocations of resources are managed in a manner that is simply alien to the British economic model and there is no reason why the UK should continue to be a part of them.

The third and final strand is that certain agencies have a history of mismanagement and failure and UK taxpayers should avoid continuing to pay for this. The Community Fisheries Control Agency is a good example here of a policy area where British voters have never felt satisfied that the EU is doing a good job.

To these three strands we can add a fourth, usually more subtle danger – that of EU integration.

Almost all agencies which execute the laws created by the EU are overseen by the Court of Justice of the European Union, the EU's notorious court system that almost always rules in favour of closer EU integration wherever agreed EU Treaties or contracts leave ambiguity. In this way, some actions under membership of EU agencies may become politicised against the UK's interest.

## Options

However, as prominent Brexit advocates have consistently argued, leaving the EU does not mean ending all cooperation with European partners, but rather repurposing our style of cooperation so that it is less politicised and more oriented towards delivering results for UK taxpayers.

Continued partnership, especially in scientific or research bodies may be straightforwardly desirable, especially on joint projects already committed. Other areas may yield benefits in the limited and controlled sharing of access to assets or budgets.

In some cases, the UK may prefer simply to formally observe the activity of certain EU agencies in order to conform to best practice, whether it be in airspace coordination, medical safety or other areas.

Despite warnings over "cherry-picking", there are many circumstances in which non-EU states participate with EU agencies in mutually beneficial endeavours, contributing and creating value without any downside to full EU members.

## Basic Principles of Recommendation

Consequently, we can divide future Euroquango policy into three groupings, which are set out in the box below.

<p><b>Model A (Leave)</b> - The UK will leave the agency completely, with only contact being as part of a mailing list or informal telephone calls or briefings.</p> <p><b>Model B (Strategic association)</b> - The UK will leave the agency, but continue cooperating in some form or another on an official basis, whether it be contributing to specific projects or participating in areas that are clearly mutually helpful. This is sometimes described in terms of “associate membership”, though that phraseology carries the risk of seeing a very formalised membership role emerge. In practice, ‘strategic association’ terms may be very slight, but sufficient to generate legal form to the sharing of data and the posting of a small number of staff.</p> <p><b>Model C (Full membership)</b> - The UK will remain a member of the agency as it stands, including paying all membership fees and signed up to all obligations as if it were an EU member.</p>
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In practical terms, these differences can be seen as follows;

	Model A	Model B	Model C
	Leave the agency	Strategic association	Remain full member
Staff	Visits only.	Permanent liaison or staff office.	Full staffing costs.
Information	Access to open source information.	Bilateral agreements over specific databases and legal objectives.	Full IT integration.
Budget	Negligible implications (e.g. conferences).	Minor implications (e.g. office unit costs) in line with <i>juste retour</i> . <sup>3</sup>	Full share, with risks to <i>juste retour</i> .
Role of the Court of Justice of the EU (CJEU)	No CJEU risks.	Limited or tangential CJEU roles, requiring definition.	Heavy CJEU implications.

To better understand what might constitute the actual end terms of such a shift from full membership of a Euroquango into a form of third party association, we can turn to the agreement Canada and the EU reached to facilitate cooperation in areas falling under Europol’s areas of activity.

<sup>3</sup> The “Juste retour” principle means that contributions are budget-neutral (i.e. the UK does not subsidise the EU). This is a basic rule in most international treaties that don’t cover aid.

## Canada-EU agreement over Europol

- Define areas of cooperation (in doing so, note those areas covered by other international treaties).
- Designate Points of Contact.
- Designate Competent Authorities.
- Define extent, timeframe (e.g. 24/7 or working hours), transmission mechanisms, format, authorisation, justifications, grading of source material, for exchange of information.
- Define limits of use, remedies, retention, deletion.
- Define recourse and requirements on verifications, authorisation for reuse.
- Establish provisions for data transmission and retention, confirmation of receipt, technical protection of data held, verifications, destruction of wrong data.
- Define processes for recording data shared.
- Set out limits and mechanisms for right of refusal (confines of agreement, law, national security, government interests, excessive costs, ongoing investigation) and possibility of offering partial or conditional compliance with the request.
- Agree rules on disclosure by either party.
- Confirm adherence to classification and caveats set at point of issue, within the context of operational flexibility, and agree mechanisms to review classification.
- Establish processes for regular consultation.
- Allow access to training and meetings of mutual interest.
- Agree to posting of liaison officers, and ascertain associated working modalities.
- Agree to cover working expenses and establish mechanism to cover extraordinary expenses.
- Introduce a Savings Clause (i.e. this agreement does not affect any other agreement on the exchange of information through another treaty).
- Set up a Dispute Mechanism.
- Agree (limits to) Liabilities.
- Indicate methodology to amend the agreement.

Such an agreement might be applied to other forms of association. An agreement would need to be reached covering tasks, powers, privileges, data sharing provisions, and physical presence.

In many cases, working provisions (such as data protection compliance) would already be met, as the UK is starting from a position of existing compliance with working practices, Human Rights law, and also in many cases compatible IT networks. Consequently, reaching such agreements would appear largely to constitute a matter of political will and democratic choice rather than practical or technical obstructions.

We now turn to a review of the agencies themselves.

# The Agencies

## Agency for the Cooperation of Energy Regulators (ACER)



[www.acer.europa.eu](http://www.acer.europa.eu)

**Location:** Ljubljana, Slovenia

**Established:** 2011

**Budget:** €11,266,000 (EU contributions to agency, 2015)<sup>4</sup>

**Staff:** 73 (2014)<sup>5</sup>

### **Purpose:**

ACER is, as the name suggests, an EU umbrella regulator that coordinates national regulators within the EU and supervises the EU's internal markets in energy. It is also designed to oversee progressive integration of markets into the EU's internal energy market (via harmonisation) as an explicit political objective.

ACER's stated aims are:

- To create greater competition within the EU market.
- To integrate and enhance efficiency of energy infrastructure and assist the supply of energy across borders, in turn boosting energy security within the EU.
- To monitor the energy market, guaranteeing consumers fair prices and protecting them from unfair activities. This includes the electricity and gas markets, as well as wholesale energy trading.

### **Post Brexit function:**

As a European energy regulator, ACER plays many of the same roles in the energy market as the UK's OFGEM. The UK's geographical position currently means exchange of energy supplies across borders is limited in comparison to most mainland EU countries, so this task is not necessarily beyond OFGEM's capabilities. However, data exchange and mutual recognition of accreditation between the UK and the EU ought to continue.

### **Recommendation: B - Strategic association**

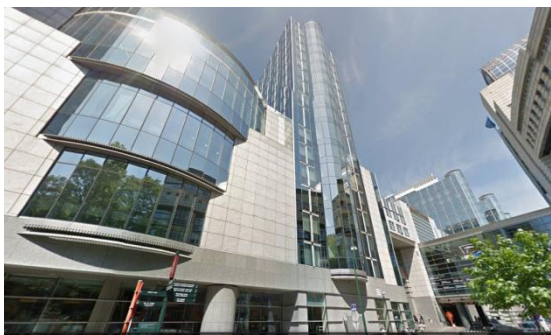
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<sup>4</sup>Agency for the Cooperation of Energy Regulators Work Programme 2016, September 2015, p.110, <[http://www.acer.europa.eu/en/the\\_agency/mission\\_and\\_objectives/documents/acer%20work%20programme%202016%20-%2030%20september%202015%20-%20final.pdf#page=110](http://www.acer.europa.eu/en/the_agency/mission_and_objectives/documents/acer%20work%20programme%202016%20-%2030%20september%202015%20-%20final.pdf#page=110)>

<sup>5</sup>Ibid. p. 116



## Authority for European Political Parties and European Political Foundations



[www.appf.europa.eu](http://www.appf.europa.eu)

**Location:** Brussels, Belgium

**Established:** 2014

**Budget:** €50,905,000<sup>6</sup> (2017)

**Staff:** unknown

### **Purpose:**

Established for the purpose of registering, controlling funding for and imposing sanctions on the European Political Parties and European Political Foundations that make up the European Parliament.

In particular, the APPF oversees donations and contributions to European Political Parties and Foundations, whether from the budget of the European Union or from any other source and plays the role of supervisor in the proper use of those funds.

### **Post Brexit function:**

Given that the APPF oversees political parties and think-tanks within the European Parliament (which the UK will be leaving) and the inherent EU control over political activities in this field, it is recommended that the UK quit this agency altogether.

### **Recommendation: A - Leave the agency**

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<sup>6</sup> This figure covers Title 4 expenditure (relating to the funding of EU political groups and their associated think tanks, whose UK funding would end after Brexit) but not the office costs of the regulator, which while separately listed is yet to be properly itemised in the annual budget.

## Body of European Regulators of Electronic Communications (BEREC)



[www.berec.europa.eu](http://www.berec.europa.eu)

**Location:** Riga, Latvia

**Established:** 2009

**Budget:** €4,246,000 (Authorised, 2017)<sup>7</sup>

**Staff:** 23 (14 Temporary Agents, 9 Contracted Agents) (2017)<sup>8</sup>

### **Purpose:**

BEREC contributes to the development and better functioning of the EU's internal market for electronic communications networks, overseeing the consistent application of EU regulations and rules that integrate national telecoms systems.

Furthermore, BEREC provides policy advice on request and on its own initiative to EU institutions and acts as an umbrella EU regulator to national regulators.

### **Post Brexit function:**

There is no need for continued UK membership of BEREC since it carries out advice and policy guidance functions that can be taken over by UK institutions. It also has a political angle which seeks to centrally harmonise telecoms rules. While these have yet to have a detrimental effect on the UK, certain similar heavy-handed communications rules from a different agency, EASA, pertaining to radio equipment on light aircraft illustrate the damaging effects that sweeping and ill-considered changes may have on traditional communication networks. The rules in question could potentially ground 80% of British light aircraft as they come in too quickly, are too prescriptive, and end up being far too costly.

However, exchange of techniques in best practice between the UK and the EU ought to continue if the UK is to pursue robust policies in relation to telecoms and the internet, and in order to not to disrupt any kind of digital single market being created within the EU that the UK may bilaterally trade into. Such a market is largely in the UK's interest as a major service exporter.

### **Recommendation: B - Strategic association**

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<sup>7</sup>Budget of the BEREC Office for 2017, p. 4, <[http://berec.europa.eu/eng/document\\_register/subject\\_matter/berec\\_office/budget\\_of\\_the\\_office/annual\\_budget\\_of\\_the\\_office/6593-budget-of-the-berec-office-for-2017](http://berec.europa.eu/eng/document_register/subject_matter/berec_office/budget_of_the_office/annual_budget_of_the_office/6593-budget-of-the-berec-office-for-2017)>

<sup>8</sup> Ibid. pp. 21-22



## Community Fisheries Control Agency (CFCA)



[www.efca.europa.eu](http://www.efca.europa.eu)

**Location:** Vigo, Spain

**Established:** 2005

**Budget:** €9,217,000 (Budget, 2016)<sup>9</sup>

**Staff:** 51 (Provisional, 2016)<sup>10</sup>

### **Purpose:**

The European Union body established to organise operational coordination of fisheries control and inspection activities. Additionally it exists to assist them in cooperating and complying with the rules of the Common EU Fisheries Policy in order to ensure its effective and uniform application.

### **Post Brexit function:**

Given the importance of fisheries to many Leave voters, this can be held up as a policy area in which British voters consistently feel let down by EU action. Even Norway, as part of the EEA, has limited membership of EFCA and Britain will find it politically inevitable that it should first and foremost be in control its own waters via its own agencies. However, cooperation in certain UK fishing areas through voluntary bilateral and tri-lateral agreements with the EU and Norway, especially in the North Sea, will have to be considered after Brexit simply because of the nature of fish migration.

### **Recommendation: B - Strategic association**

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<sup>9</sup>Final budget and establishment plan of the European Fisheries Control Agency for year 2016, p. 2, <<http://www.efca.europa.eu/sites/default/files/Final%20Budget%202016.pdf#page=2>>

<sup>10</sup>ibid. p.9

## Community Plant Variety Office (CPVO)



cpvo.europa.eu

**Location:** Angers, France

**Established:** 1995

**Budget:** €12,840,000 (Budget, 2015)<sup>11</sup>

**Staff:** 45<sup>12</sup>

### **Purpose:**

The CPVO acts as the EU's patent office for plants, flora and agricultural products, protecting what amounts to specific copyright across an EU-wide area. Significantly, the institution declares itself "self-financing", on the basis of the various fees it is paid for its services.

Another aspect is that the CPVO claims its system is "not intended to replace or even to harmonise national systems, but rather to exist alongside them as an alternative".

### **Post Brexit function:**

There is no desperate need for continued UK membership of the CPVO since in many cases it carries out advice and policy guidance functions that can be taken over by UK institutions.

However, as a self-financing agency, the CPVO might operate largely apolitically within the general framework set by other EU institutions and may not require formal "membership" status in order to be able to process applications from individuals or businesses. Certainly data exchange and mutual recognition of accreditation between the UK and the EU ought to be considered if the UK is to protect its own intellectual property rights within European markets, as well as those of potential European investors in UK markets.

### **Recommendation: A - Leave the agency**

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<sup>11</sup>Community Plant Variety Office, Annual Report 2015, p.36

<[http://cpvo.europa.eu/sites/default/files/documents/Rapportannuel/AR2015\\_EN.pdf#page=36](http://cpvo.europa.eu/sites/default/files/documents/Rapportannuel/AR2015_EN.pdf#page=36)>

<sup>12</sup>About the EU: Community Plant Variety Office (CPVO), <[https://europa.eu/european-union/about-eu/agencies/cpvo\\_en](https://europa.eu/european-union/about-eu/agencies/cpvo_en)>

## Consumers, Health, Agriculture and Food Executive Agency (Chafea)



[ec.europa.eu/chafea](http://ec.europa.eu/chafea)

**Location:** Luxembourg

**Established:** 2005 (formerly PHEA 2005-2008, EAHC 2008-2014)

**Budget:** €8,679,446 (2015)<sup>13</sup>

**Staff:** 28 (2016)<sup>14</sup>

### **Purpose:**

Chafea acts as an umbrella regulator in the field of health, consumer protection and food safety. In 2016 the mandate was enlarged to manage reformed EU agricultural products information and promotion.

### **Post Brexit function:**

As with other agencies, the likelihood is that the UK can easily absorb Chafea's UK responsibilities into its own domestic institutions, assuming the FSA does not already perform many of the roles Chafea finds itself filling. Cooperation and data-sharing should continue for research and pan-European health purposes, but currently Chafea tends to act like a central planning office for food and agricultural policy and funding, as well as refereeing transactions in the Single Market. As such, it is unlikely to be of direct and immediate interest to the UK, post-Brexit.

### **Recommendation: A - Leave the agency**

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<sup>13</sup>CHAFEA, Operating budget 2016, p. 2, <[http://ec.europa.eu/chafea/documents/about/admin-budget-2016-amd02\\_en.pdf#page=2](http://ec.europa.eu/chafea/documents/about/admin-budget-2016-amd02_en.pdf#page=2)>

<sup>14</sup>Ibid, p.6

## Education, Audiovisual and Culture Executive Agency (EACEA)



eacea.ec.europa.eu

**Location:** Brussels, Belgium

**Established:** 2006

**Budget:** €49,790,000 (2015)<sup>15</sup>

**Staff:** 450 (2015)<sup>16</sup>

### **Purpose:**

The EACEA is an arm of the European Commission, assessing tenders, consulting and distributing funding in line with 15 or more EU programmes in the fields of education and training, active citizenship, youth, audiovisual and culture. This also includes the Erasmus+ programme.

### **Post Brexit function:**

The nature of UK engagement will be determined by the extent to which the UK continues to pay into jointly managed funds. Some measure of engagement will be required, but if the UK is to avoid being seen as a cash cow, then the Treasury will need to establish a mechanism for *juste retour*.

This suggests a requirement to operate from outside the structure.

### **Recommendation: A - Leave the agency**

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<sup>15</sup>EACEA, Statement of revenue and expenditure of the Education, Audiovisual and Culture Executive Agency for the financial year 2015, p.2 <<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015B0331%2818%29&from=EN#page=2>>

<sup>16</sup>Ibid. p.4

## European Agency for Safety and Health at Work (OSHA)



osha.europa.eu

**Location:** Bilbao, Spain

**Established:** 1994

**Budget:** €15,083,700 (from EU, Budget, 2016)<sup>17</sup>

**Staff:** 67 (42 Temporary Agents, 25 Contract agents)<sup>18</sup>

### **Purpose:**

This agency exists as an EU health and safety office, supervising member states in the field of social and employment legislation and acting, as much as it can, to harmonise conditions across the EU and in turn, lobby international organisations to move in its direction policy-wise.

### **Post Brexit function:**

The OSHA is the executive arm of the EU's Social Chapter and is responsible for the enforcement of a significant amount of administrative and bureaucratic legislation. Examples include strict limitations on weekly working hours and unintuitive rules on agency workers that previously did not play a part in the UK economic model. Such rules have had damaging consequences, especially on small and medium-sized businesses in the UK.

This said, learning from and observing best practice in health and safety rules between the UK and the EU can be beneficial to all sides. However, there is really no reason why the UK needs to remain a member of OSHA or be anything more than a contact address on its newsletter.

The danger of OSHA membership, as its own documentation points out, is that non-EU countries (whether EEA or otherwise) who participate are treated the same way as EU countries. The prospect for CJEU action in this area is too high for the UK to continue its membership even on an arms-length basis.

### **Recommendation: A - Leave the agency**

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<sup>17</sup>Official Journal of the EU, Statement of revenue and expenditure of the European Agency for Safety and Health at Work for the financial year 2017, p.6 <<https://osha.europa.eu/en/about-eu-osha/what-we-do/how-we-work/finance/finance-and-budget-information>>

<sup>18</sup>Ibid, p.16.

## European Agency for the Operational Management of Large Scale IT systems in the Area of Freedom, Security and Justice (eu-LISA)



eulisa.europa.eu

**Location:** Tallinn, Estonia

**Established:** 2011

**Budget:** €80,022,000 (2016)<sup>19</sup>

**Staff:** 138 (2015)<sup>20</sup>

### **Purpose:**

The European Union agency responsible for managing and promoting information technology as a key success factor for the implementation of the Union's policies in the area of justice, security and freedom. The agency stresses that EU home affairs are now, more than ever, dependent not only on physical resources, but also on data and information. EU-Lisa is the agency responsible for managing the EU internal affairs policies technology, keeping track of the various areas of what are effectively EU home affairs, including visa and asylum applications and surveillance within the borderless Schengen zone. It also coordinates national law-enforcement agencies when responding to attacks or cross-border incidents.

### **Post Brexit function:**

Before the vote to leave, the UK, along with numerous other EU members, had opt-outs from the majority of legislation applying to the Area of Freedom, Security and Justice, including Schengen. Brexit inevitably means that these opt-outs must become permanent, especially in relation to an EU-wide computer system, managed by an EU agency with self-declared ambitions to increase its own power and whose budget is already in the top ten largest of any EU decentralised agency, with a 35% increase in the past two years. Given the amounts of money wasted in UK alone on such IT systems over recent years, it would pay the UK to keep well away from this institution.

Fortunately, except for some types of carefully drafted bilateral extradition arrangements and other similar treaties, the UK is likely to distance itself further from what is essentially EU home affairs policy and its interaction with this agency is likely to be minimal. For continued engagement, the UK will need a crafted memorandum of understanding regulating how shared data can be used.

### **Recommendation: A - Leave the agency**

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<sup>19</sup> EULISA, Annual Work Programme 2016, p.61, <[http://www.eulisa.europa.eu/Publications/Corporate/EU-LISA\\_2016\\_00010100\\_EN\\_TRA.pdf#page=61](http://www.eulisa.europa.eu/Publications/Corporate/EU-LISA_2016_00010100_EN_TRA.pdf#page=61)>

<sup>20</sup> Ibid., p.32.



## European Asylum Support Office (EASO)



easo.europa.eu

**Location:** Malta

**Established:** 2011

**Budget:** €63,200,000<sup>21</sup>

**Staff:** 149<sup>22</sup>

### **Purpose:**

The EASO acts as the EU's central office for asylum expertise and coordinates EU asylum policy for core states, keeping them to their obligations under EU common asylum rules. It also provides operational and technical support for those states suffering under particularly acute asylum pressure. A secondary function is as a kind of asylum think-tank and policy hub, conducting research and distributing specialist advice to influence new legislation and rules in areas directly and indirectly linked with asylum policy and generally drawing together EU thinking with regard to external borders and vulnerable migrants.

### **Post Brexit function:**

The UK's relationship to the EASO post-Brexit is likely to be an arms-length one. As the UK is not a frontline destination for asylum seekers or refugees, and because of its independent border checks outside of Schengen, the impact of asylum migration is not as immediately acute as it may be in other EU member states. The UK has never been an integral part of any asylum-sharing policy initiatives either, presumably on the (generally correct) assumption that what starts as voluntary assistance may proceed to become an obligation in EU law, even when domestic political pressure turns against it. Another aspect is the UK's traditional preference to financially assist troubled areas directly in rebuilding, rather than facilitating the population's mass departure.

However, data-sharing, for instance in relation to illegal immigration or of declined asylum applications would be a key area of mutual interest. The repatriation of UK border control was a key referendum pledge so the UK cannot remain subject to European Commission decisions on relocating refugees, refugee quotas or other actions without first bilaterally volunteering assistance.

### **Recommendation: A - Leave the agency**

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<sup>21</sup>EASO work programme 2016, p.47, <<https://www.easo.europa.eu/sites/default/files/public/Annex%20%20-%20EASO%20WP%202016%20Amendment%203.pdf#page=47>>

<sup>22</sup> Ibid, p.46.

## European Anti-Fraud Office (OLAF)



[ec.europa.eu/anti-fraud//home\\_en](http://ec.europa.eu/anti-fraud//home_en)

**Location:** Brussels, Belgium

**Established:** 1999

**Budget:** €58,175,500<sup>23</sup>

**Staff:** 391<sup>24</sup>

### **Purpose:**

OLAF is the only EU agency mandated to detect, investigate and stop fraud with EU funds. While technically part of the European Commission, the body has an individual independent status in its investigative function.

OLAF fulfils its mission by:

- Carrying out independent investigations into fraud and corruption involving EU funds.
- Investigating serious misconduct by EU staff and members of the EU Institutions.
- Developing anti-fraud policy.

### **Post Brexit function:**

Since this agency deals explicitly with fraud and corruption within EU institutions and with EU budgets and grant systems, which the UK is leaving, there is no need to continue close association with it.

### **Recommendation: A - Leave the agency**

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<sup>23</sup>EU Budget, Article 24 01 07 — European Anti-Fraud Office (OLAF) < <http://eur-lex.europa.eu/budget/data/LBL/2017/en/SEC03.pdf#page=303>>

<sup>24</sup> European Anti-Fraud Office (OLAF), Management Plan 2015, <[https://ec.europa.eu/info/sites/info/files/management-plan-2015-olaf\\_august2015\\_en\\_0.pdf#page=8](https://ec.europa.eu/info/sites/info/files/management-plan-2015-olaf_august2015_en_0.pdf#page=8)>

## European Aviation Safety Agency (EASA)



easa.europa.eu

**Location:** Cologne, Germany (with offices elsewhere)

**Established:** 2002

**Budget:** €149,393,000 – including contributions from non-EU<sup>25</sup>

**Staff:** 676<sup>26</sup>

### **Purpose:**

Much like the UK's Civil Aviation Authority, the EASA acts as the EU's regulatory hub for air travel. It coordinates across EU borders as the umbrella organisation to ensure the integration of safety standards and that licensing procedures apply to all aircraft travelling within the EU's airspace. It also has a role in licensing larger airports and has exclusive competence over airworthiness checks for aircraft.

EASA's work also acts to harmonise regulations, especially in regard to pilot license certification.

### **Post Brexit function:**

Given the nature of aviation and the geographical situation of the UK (being an island off the coast of mainland Europe), there is no interest for either side to compound the difficulties of aviation across borders. While the UK would no longer be a formal, paid up member of EASA, it is likely that the UK's Civil Aviation Authority would continue to cooperate with the agency via a mutual recognition of international safety and airworthiness standards even for the smallest aircraft. It would however no longer have the obligation to apply EU standards to flying schools and recreational light aircraft that rarely depart UK airspace; an issue that has been a particular bone of contention for general aviation since EASA's heavy-handed approach to new aviation communication rules. It should be a given however that international and large airlines cannot be exempt from such standards. Nevertheless, air travel is global and standards are driven and crafted globally.

It should be noted that the EASA publicly takes pride in cooperating with numerous non-EU states.

### **Recommendation: B - Strategic association**

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<sup>25</sup>EASA, Annual activity report 2015, p.60,

<<https://www.easa.europa.eu/system/files/dfu/EASA%20Annual%20Activity%20Report%202015.pdf#page=60>>

<sup>26</sup> Ibid., p.60,

## European Banking Authority (EBA)



eba.europa.eu

**Location:** London, UK

**Established:** 2011

**Budget:** €38,064,000 – including contributions from non-EU<sup>27</sup>

**Staff:** 127 (2016)<sup>28</sup>

### **Purpose:**

The EBA is an EU Authority which works to ensure effective and consistent prudential regulation and supervision across the European banking sector.

The main task of the EBA is to contribute to the creation of the European Single Rulebook in banking whose objective is to provide a single set of harmonised prudential rules for financial institutions throughout the EU. The Authority also plays an important role in promoting convergence of supervisory practices and also seeks to assess risks and vulnerabilities in the EU banking sector.

### **Post Brexit function:**

Financial Services are one of the key strengths of the City of London and represent a policy area the UK usually leads in and has often played a role setting the standards for. In this regard, there are many international bodies that play a more significant role than the EU agency, which often merely acts as a regional hub or gold-plates. Leaving the EBA offers an opportunity to regain a voice in the global regulatory bodies that are playing a much more significant role in setting international standards and the global harmonisation of financial regulation. Thus the UK is certain to repatriate control over banking to its own highly competent regulatory authorities.

Having a liaison officer physically located in the EBA would however help mitigate risks of misunderstandings over the impact of future regulations given differences in working practices.

### **Recommendation: B - Strategic association**

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<sup>27</sup>European Banking Authority budget 2016, p.14,  
<<https://www.eba.europa.eu/documents/10180/1406403/EBA+BS+2015+465+Annex+1+%28EBA+2016+Budget%29.pdf/6286ee71-0016-42ab-b59a-5e8a4f3d664d#page=14>>

<sup>28</sup>Ibid., p.4.

## European Border and Coast Guard Agency (Frontex)



frontex.europa.eu

**Location:** Warsaw, Poland

**Established:** 2004

**Budget:** €254,035,000 (2016) – including contributions from non-EU<sup>29</sup>

**Staff:** 417 (225 Temporary Agents, 106 Contract Agents, 86 Seconded National Experts)<sup>30</sup>

### **Purpose:**

Frontex operates as a nascent EU border force. While national governments technically have responsibility for border control, Frontex regularly supervises and coordinates resources from other member states, reinforcing what is seen as the EU's external frontier, especially recently in the case of migratory pressure. It also oversees information sharing and data exchange between member states to assist these efforts.

In addition, Frontex coordinates maritime operations (e.g. in Greece, Italy and Spain) but also at external land borders, including in Bulgaria, Romania, Poland and Slovakia. It is also present at many international airports across Europe. Additional equipment such as boats and aircraft, as well as additional trained border staff are usually deployed in these situations. Frontex acts also to harmonise border control standards in order to better move forces interchangeably between national jurisdictions.

Controversially, reforms have recently been approved that will allow Frontex to deploy forces to a border as a rapid response effort even without the permission of the member state in question.

### **Post Brexit function:**

A highly controversial area when it was first introduced, the EU's external border agency is unlikely to be able to count the UK among its members at the end of the exit process. The UK currently has very limited participation in Frontex (and Eurosur, which provides a common framework on surveillance of the EU's external borders and cross-border crime), though it has previously sent ships to the Aegean and Mediterranean to support the NATO and EU response to the refugee crisis.

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<sup>29</sup>FRONTEX Budget 2016, p.1,

<[http://frontex.europa.eu/assets/About\\_Frontex/Governance\\_documents/Budget/Budget\\_2016.pdf#page=1](http://frontex.europa.eu/assets/About_Frontex/Governance_documents/Budget/Budget_2016.pdf#page=1)>

<sup>30</sup>ibid.

However, as now, the EU may be able to count on its close neighbour for support and limited contributions on specific projects without formal association or membership being required. These agreements may even be conducted bilaterally with individual EU states such as Malta or Greece. Contact and information exchanges between police, border control, and security services should be separately continued alongside UK-EU cooperation in this area.

**Recommendation: A - Leave the agency**



## European Central Bank (ECB)



ecb.europa.eu

**Location:** Frankfurt, Germany

**Established:** 1998

**Budget:** €953,833,129 (2016)<sup>31</sup>

**Staff:** c.2,500<sup>32</sup>

### **Purpose:**

The ECB is the EU's central bank, overseeing price stability and managing interest rates across the 19 Eurozone countries.

### **Post Brexit function:**

The Bank of England contributed a pre-accession capital share of approximately €55 million in 2015, which can be returned. Another point of interest for negotiators is securing the elimination of any further liabilities the UK has towards the euro area, generated by a real "disaster" under the disaster clause or otherwise. Despite the text of the treaties and promises to the contrary, the UK has been routinely obliged to bail out the Eurozone, most notably during the Greek debt crisis.

Other contact with the ECB is minimal since the UK is outside the euro area and maintains its own central bank, currency and interest rates. This is likely to continue after Brexit with little or no impact.

### **Recommendation: A - Leave the agency**

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<sup>31</sup> ECB, Annual Accounts 2016, Operational expenses, items 28-30, p. 21

<[https://www.ecb.europa.eu/pub/pdf/annrep/ar2016annualaccounts\\_en.pdf?df02b4b982dd59d217bb58adac1150cd](https://www.ecb.europa.eu/pub/pdf/annrep/ar2016annualaccounts_en.pdf?df02b4b982dd59d217bb58adac1150cd)>

<sup>32</sup>ECB, Organisation, <<https://www.ecb.europa.eu/ecb/orga/html/index.en.html>>

## European Centre for Disease Prevention and Control (ECDC)



[ecdc.europa.eu](http://ecdc.europa.eu)

**Location:** Stockholm, Sweden

**Established:** 2005

**Budget:** €58,451,950<sup>33</sup>

**Staff:** 186<sup>34</sup>

### **Purpose:**

ECDC's mission is to identify, assess and communicate current and emerging threats to European health posed by infectious diseases. In order to achieve this, ECDC works in partnership with national health protection bodies across the EU to strengthen and develop continent-wide disease surveillance and early warning systems. The agency pools health knowledge to develop authoritative scientific opinions about the risks posed by current and emerging infectious diseases.

In summary, the ECDC compiles scientific and technical data and provides technical opinions and training, while at the same time coordinating the exchange of this data and information between member states and international bodies to prevent and control infectious diseases.

### **Post Brexit function:**

In this regard, there are numerous international bodies that play a more significant role than the ECDC. Indeed, the WHO regional base in Norway (with which the ECDC appears to be gradually integrating)<sup>35</sup> would likely play a more significant role in coordinating effective responses to infectious disease as its remit reaches beyond the borders of Europe. Continued UK membership of ECDC may even cause some confusion in the event of a crisis and may be an arena for European Court of Justice action at a later date.

While the UK's domestic disease prevention agencies should certainly pay attention to ECDC news and updates and cooperate with data-sharing and communications efforts as third countries, the costs of membership certainly outweigh the benefits.

### **Recommendation: A - Leave the agency**

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<sup>33</sup>ECDC, Annual Report of the Director 2015, p.73, <<http://ecdc.europa.eu/en/publications/Publications/annual-report-director-2015.pdf#page=73>>

<sup>34</sup>ibid., p.67.

<sup>35</sup>ECDC, Partnerships, <<http://ecdc.europa.eu/en/aboutus/Partnerships/Pages/partnerships.aspx>>

## European Centre for the Development of Vocational Training (CEDEFOP)



cedefop.europa.eu

**Location:** Greece (since 1995)

**Established:** 1975

**Budget:** €18,019,949 (2016)<sup>36</sup>

**Staff:** 94 (2016)<sup>37</sup>

### **Purpose:**

Cedefop is an EU agency designed to centrally survey and provide opinions on the economic health of the EU, indicating where businesses are seeing skills shortages and where additional educational and learning might be beneficial to the workforce and so the EU's general economic growth.

The agency seeks to make inroads in mutual recognition of professional standards and qualifications across EU member states, as well as targeting support packages and resources toward those that may need additional training or education.

### **Post Brexit function:**

Learning from and observing best practice in vocational training between the UK and the EU ought to be beneficial to all sides. Likewise would be mutually-recognised professional standards and qualifications, though these in fact are driven more by Council of Europe activity. However, there is really no reason why the UK needs to remain a member of CEDEFOP or be anything more than a contact address on its newsletter.

### **Recommendation: A - Leave the agency**

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<sup>36</sup>Cedefop Budget 2017 together with Establishment Plan 2017, p.2, <<http://www.cedefop.europa.eu/en/about-cedefop/finance-and-budget/budget-and-discharge>>

<sup>37</sup>Ibid., p.17.

## European Chemicals Agency (ECHA)



[echa.europa.eu](http://echa.europa.eu)

**Location:** Helsinki, Finland

**Established:** 2007

**Budget:** €107,367,309 – including contributions from non-EU<sup>38</sup>

**Staff:** 465<sup>39</sup>

### **Purpose:**

ECHA is the EU agency harmonising and regulating chemicals and chemical usage in the EU, coordinating national bodies and lobbying for international recognition of its standards. ECHA also provides advice to companies in complying with legislation, advances the safe use of chemicals, provides information on chemicals and addresses chemicals of concern.

### **Post Brexit function:**

While efforts to recognise each other's standards and regulations (especially in relation to the environment) would be mutually beneficial, this is optimally done in global rather than regional for a (which is why the ECHA sees itself in a lobbying role there, acting as the middle man). There are meanwhile many areas in which the ECHA has already overextended itself and inadvertently protected existing chemical industries rather than scientifically evaluating the potential of new products. It also has one of the largest budgets and staff rosters in the EU's decentralised agency system.

The UK could benefit from creating some distance between itself and this agency. Of course, keeping up to date on emerging European draft standards will be important, but for actual regulation, the UK should rely instead on its own risk-based approach and respect for sound science that fosters innovation. This could be especially relevant if the UK is to pursue nanomaterials and shale gas exploitation.<sup>40</sup>

### **Recommendation: A - Leave the agency**

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<sup>38</sup> ECHA, Budget 2016, p.2 <[https://echa.europa.eu/documents/10162/21961120/mb\\_46\\_2015\\_budget\\_2016\\_en.pdf#page=2](https://echa.europa.eu/documents/10162/21961120/mb_46_2015_budget_2016_en.pdf#page=2)>

<sup>39</sup>ibid., p.16.

<sup>40</sup>ibid., p.4.

## European Data Protection Supervisor (EDPS)



[secure.edps.europa.eu/EDPSWEB/edps/EDPS](https://secure.edps.europa.eu/EDPSWEB/edps/EDPS)

**Location:** Brussels, Belgium

**Established:** 2004

**Budget:** €8,760,417 (2015)<sup>41</sup>

**Staff:** c.60<sup>42</sup>

### **Purpose:**

The European Data Protection Supervisor is an independent supervisory authority with responsibility for:

- Monitoring the processing of personal data by the EU institutions and bodies
- Advising on policies and legislation that affect privacy
- Cooperating with similar authorities to ensure consistent data protection.

The EDPS is a relatively new but increasingly influential agency, with responsibility for monitoring the processing of personal data by the EU institutions and bodies, advising on policies and legislation that affect privacy and cooperating with similar authorities to ensure consistent data protection.

### **Post Brexit function:**

The future role of this body in pushing a European Court agenda remains an important consideration over any association.

### **Recommendation: A - Leave the agency**

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<sup>41</sup> EDPS, Annual Report 2015, p.44, <[https://secure.edps.europa.eu/EDPSWEB/webdav/site/mySite/shared/Documents/EDPS/Publications/Annualreport/2015/EDPS\\_Annual\\_Report\\_2015\\_Web\\_EN.pdf#PAGE=44](https://secure.edps.europa.eu/EDPSWEB/webdav/site/mySite/shared/Documents/EDPS/Publications/Annualreport/2015/EDPS_Annual_Report_2015_Web_EN.pdf#PAGE=44)>

<sup>42</sup> EDPS, Working for EDPS, <[https://edps.europa.eu/about-edps/recruitment\\_en](https://edps.europa.eu/about-edps/recruitment_en)>

## European Defence Agency (EDA)



eda.europa.eu

**Location:** Ixelles, Belgium

**Established:** 2004

**Budget:** €30,531,000 (2016)<sup>43</sup>

**Staff:** 123 (31/12/2015)<sup>44</sup>

### **Purpose:**

The EDA was founded to support member states and the EU in their effort to improve European defence capabilities in the field of crisis management and to sustain the European Security and Defence Policy as it stands now and develops in the future.

The agency has three main missions:

- Supporting the development of European defence capabilities and military cooperation;
- Stimulating defence Research and Technology (R&T) and strengthening the European defence industry;
- Acting as a military interface to EU policies.

EDA acts as a catalyst, promotes collaborations, launches new initiatives and introduces solutions to improve defence capabilities. It is also a key facilitator in building up the capabilities necessary to underpin the EU's Common Security and Defence Policy.

### **Post Brexit function:**

EDA is seen as a political element underpinning EU defence integration; and as such, close affiliation carries considerable and enduring risk. This has been confirmed through fresh proposals for EDTIB (the European Defence Technological and Industrial Base). This direction entails the loss of national capabilities both in terms of production but also the control of pooled assets, and is unacceptable.

Value does lie in the UK maintaining a small presence that generates eyes on the ground at initial procurement stages. By inputting into initial discussions over procurement and research terms of reference, later costs can be reduced by avoiding the need to change specifications at subsequent stages. However, EDA will often be too large to generate programmes that have sufficient

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<sup>43</sup>EDA, Finance, <<https://www.eda.europa.eu/Aboutus/who-we-are/Finance>>

<sup>44</sup>EDA 2015 Financial Report, p.21 <<https://www.eda.europa.eu/docs/default-source/finance-documents/eda-2015-financial-report---signed.pdf#page=21>>



commonality of interests (over unit production, capability, or delivery time) to be cost effective. A critical role of any liaison post here will be to identify willing partners who share those commitments and who may be interested in cooperating beyond the EDA structures, while avoiding attempts to manufacture in locations that do not currently have the existing specialisms purely in order to try to generate them out of domestic manufacturing interests.

It should also be noted that Switzerland recently signed a Framework for Cooperation agreement with the EDA, with a view to cooperating on the Protection of Autonomous Systems against Enemy Interference (PASEI) project. This is a clear precedent for cooperation by external countries on specific projects.

**Recommendation: B - Strategic association**

## European Environment Agency (EEA)



eea.europa.eu

**Location:** Copenhagen, Denmark

**Established:** 1993

**Budget:** €49,120,612 (2015) – including contributions from non-EU<sup>45</sup>

**Staff:** 198<sup>46</sup>

### **Purpose:**

The EEA is the EU's environmental agency (not to be confused with the European Economic Area). Their task is to provide scientific, independent information on the environment, acting as a major information source for those involved in developing, adopting, implementing and evaluating environmental policy.

The agency is mandated to help EU member states make informed decisions about improving the environment, integrating environmental considerations into economic policies and moving towards sustainability.

Another job of the EEA is to coordinate the European environment information and observation network (Eionet). The EEA is responsible for developing this network and coordinating its activities. To do so, the EEA works closely together with national focal points, typically national environment agencies or environment ministries and together they are responsible for coordinating national networks involving many institutions (about 350 in all).

### **Post Brexit function:**

Given that plenty of EU environmental legislation has been ill-thought out, by a heavy-handed target-creating bureaucracy, the UK would do well in leaving this agency behind. The tendency for the EU to see itself as leading the world in environmental legislation has given its agencies the tendency to overreach themselves and damage the economies of the countries they regulate. This is especially noticeable with regard to how member states are told to organise their energy sectors and in rules designed to restrict uptake of Genetically Modified Organisms.

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<sup>45</sup>EEA, Budget of the European Environment Agency for the financial year 2016, p.2, <<http://www.eea.europa.eu/about-us/documents/eea-budgets/budget-of-the-eea-2016>>

Revenue is also collected from assets and "contributions under specific agreements".

<sup>46</sup>EEA Staff list, 28 March 2017, <<http://www.eea.europa.eu/about-us/who/staff-list>>

While cooperation on environmental matters is important in a globalised world, the UK ought to be wary of committing itself to the EEA's rolling environmental targets and rules that the European Courts will inevitably have a role in arbitrating. For political decisions and regulation, The UK should rely instead on its own risk-based approach and respect for sound science that fosters innovation. This could be especially relevant if the UK is to modernise its farming industries and is willing to be less restrictive with GMOs.

**Recommendation: A - Leave the agency**

## European Food Safety Authority (EFSA)



efsa.europa.eu

**Location:** Parma, Italy

**Established:** 2002

**Budget:** €79,504,315<sup>47</sup>

**Staff:** 327 (2015)<sup>48</sup>

### **Purpose:**

Most of EFSA's work is undertaken in response to requests for scientific advice from the European institutions or EU member states. The agency produces scientific output, such as peer reviews of the assessment of active substances in pesticides, or responses to urgent requests for advice. EFSA also monitors and analyses data on biological hazards, chemical contaminants and food consumption.

It also carries out scientific work on its own initiative, in particular to examine emerging issues and new hazards and to update our assessment methods and approaches.

### **Post Brexit function:**

Almost all functions of the EFSA can be carried out by the UK's own Food Standards Authority. As mentioned above, the role of the EFSA is simply to act as a hub for coordination and advice with which the UK can cooperate constructively. Collaborative scientific investigations and data-sharing could continue on a bilateral, project-by-project basis, but there is no reason why the UK needs to retain formal membership given the inherent waste in the duplicated work and the agency's exceedingly large budget and staff roster.

### **Recommendation: A - Leave the agency**

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<sup>47</sup>EFSA, Consolidated Annual Activity Report 2015, p.52,  
<[http://www.efsa.europa.eu/sites/default/files/corporate\\_publications/files/ar2015.pdf#page=52](http://www.efsa.europa.eu/sites/default/files/corporate_publications/files/ar2015.pdf#page=52)>

<sup>48</sup>Ibid., p.66.

## European Foundation for the Improvement of Living and Working Conditions (EUROFOUND)



eurofound.europa.eu

**Location:** Dublin, Ireland

**Established:** 1975

**Budget:** €21,086,000 (2015) – including contributions from non-EU<sup>49</sup>

**Staff:** 120 (inc. interim staff)(2015)<sup>50</sup>

### **Purpose:**

Eurofound works in a similar way to OSHA and CEDEFOP, in the sense that it is an EU agency designed to centrally analyse and plan living and working conditions within the EU. The agency's technical role 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. The agency scrutinises evidence and provides policy advice in six main areas:

- Working conditions and sustainable work
- Industrial relations
- Labour market change
- Quality of life and public services
- The digital age: Opportunities and challenges for work and employment
- Monitoring convergence in the European Union

### **Post Brexit function:**

Again, as with CEDEFOP, learning from and observing trends in working conditions and employment between the UK and the EU ought to be beneficial to all sides. Likewise would be the development of mutually recognised professional standards and qualifications, though much of this is driven through Council of Europe agreements.. However, there is really no reason why the UK needs to remain a member of Eurofound or be anything more than a contact address on its newsletter, and it ought to make an effort to avoid becoming embroiled in any organisation that might compromise the UK's freedom to set its own economic and employment policies.

### **Recommendation: A - Leave the agency**

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<sup>49</sup>Eurofound, Consolidated annual activity report of the Authorising Officer for the year 2015, p.34, <[https://www.eurofound.europa.eu/sites/default/files/ef\\_publication/field\\_ef\\_document/ef1623en.pdf#page=34](https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef1623en.pdf#page=34)>

<sup>50</sup>Ibid., p.66.

## European Global Navigation Systems Agency (GSA)



gsa.europa.eu

**Location:** Prague, Czech Republic

**Established:** 2004

**Budget:** €29,160,810 (2016)<sup>51</sup>

**Staff:** 192 (113 Temporary Agents, 40 Contract Agents, 4 Seconded National Experts, 35 Structural Service Providers)<sup>52</sup>

### **Purpose:**

The GSA is the agency managing the EU equivalent of the US' Global Positioning System of satellites. It is aimed at becoming a system fully independent of US or other support and being developed into a new generation of Global Navigation Satellite Systems (GNSS).

By doing so, the GSA believes the EU is laying the foundations for new high-technology industry development, job creation and economic growth.

### **Post Brexit function:**

The UK's continued contributions and cooperation to this area are highly dependent on the nature of ongoing UK assets. The UK has ownership of roughly ten percent of all assets covered by the agency and in any circumstance in which the UK is not bought out by other members, the Government may choose to continue its participation in the interests of asset management.

Combined with this, the UK Government should also consider that the GSA currently contributes nearly 20% of funding towards the European Space Agency.<sup>53</sup> While this is an intergovernmental institution currently separate from the EU, the European Commission is anxious for a takeover. This would inevitably have inflationary effects on the budgets of both organisations as the EU's political aims take a controlling share in their work and the UK, if it remains a GSA member, will be obliged to contribute to what will become another vehicle for EU foreign policy, potentially antagonising allies elsewhere.

### **Recommendation: A - Leave the agency**

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<sup>51</sup>European GNSS Agency, Annual work programme 2016, p.62, <[https://www.gsa.europa.eu/sites/default/files/gsa-ab-44-16-03-06\\_annual-work-programme-2016.pdf#page=62](https://www.gsa.europa.eu/sites/default/files/gsa-ab-44-16-03-06_annual-work-programme-2016.pdf#page=62)>

<sup>52</sup>Ibid., p.63.

<sup>53</sup>ESA, ESA and the EU, <[http://www.esa.int/About\\_Us/Welcome\\_to\\_ESA/ESA\\_and\\_the\\_EU2](http://www.esa.int/About_Us/Welcome_to_ESA/ESA_and_the_EU2)>



## European Institute for Gender Equality (EIGE)



eige.europa.eu

**Location:** Vilnius, Lithuania.

**Established:** 2006

**Budget:** €7,484,639 (2015)<sup>54</sup>

**Staff:** 28 (2015)<sup>55</sup>

### **Purpose:**

The EIGE acts a kind of think-tank or consultancy agency, conducting research and providing opinions on gender equality. Its mission includes the mainstreaming of gender considerations in all EU policy and resulting national policies, as well as fighting against discrimination based on sex and raising EU citizens' awareness of gender equality.

### **Post Brexit function:**

Learning from each other and observing best practice in ensuring gender equality can be beneficial to all sides. The UK need not remain a formal member of this agency or contribute to its budget in order to do this.

### **Recommendation: A - Leave the agency**

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<sup>54</sup>[http://eige.europa.eu/sites/default/files/documents/final\\_annual\\_accounts\\_2015\\_june\\_2016.pdf#page=8](http://eige.europa.eu/sites/default/files/documents/final_annual_accounts_2015_june_2016.pdf#page=8)

<sup>55</sup>[http://eige.europa.eu/sites/default/files/documents/2015\\_caar\\_adopted\\_160518.pdf#page=98](http://eige.europa.eu/sites/default/files/documents/2015_caar_adopted_160518.pdf#page=98)

## European Institute for Security Studies (EUISS)



iss.europa.eu

**Location:** Brussels, Belgium

**Established:** 2002

**Budget:** €5,345,266 (2015)<sup>56</sup>

**Staff:** 44 (from annual report list)<sup>57</sup>

### **Purpose:**

The EUISS is the EU's agency dealing with the analysis of foreign, security and defence policy issues. The agency's core mission is to provide analyses and fora for discussion that can be of use and relevance to the formulation of EU policy. In carrying out that mission, it also acts as an interface between European experts and decision-makers at all levels. The EUISS is also an integral part of the new structures that underpin the further development of the EU's common security and defence policies. It essentially holds conferences, carries out research and distributes policy advice to other EU institutions.

### **Post Brexit function:**

There is no obvious reason for the UK to remain a member of this institution, which acts essentially in interests of a common EU foreign policy run by EEAS, operating in offices around the world alongside national embassies and whose aims can be schizophrenic owing to divergent views held by EU states (EU attitudes to imposing sanctions are a case in point here). The UK would be better served by its own institutions, especially those who stand independently of EU funding and that don't consistently recommend more EU integration in EU foreign policy to combat the various problems faced by the continent. However, continued cooperation with specific projects and continued sharing of regional insights, as UK institutions currently do with US and international bodies, would be a sensible position.

### **Recommendation: A - Leave the agency**

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<sup>56</sup>ISS, Annual Activity Report 2015, p.8, <[http://www.iss.europa.eu/uploads/media/Activities\\_report\\_2015.pdf#page=8](http://www.iss.europa.eu/uploads/media/Activities_report_2015.pdf#page=8)>

<sup>57</sup>Ibid., p.88.

## European Institute of Innovation and Technology (EIT)



eit.europa.eu

**Location:** Budapest, Hungary

**Established:** 2008

**Budget:** €285,032,442 (2016) – including contributions from non-EU<sup>58</sup>

**Staff:** 63<sup>59</sup>

### **Purpose:**

This agency is a strategic body, designed to bring together what it refers to as the “knowledge triangle” of business, education and research to create value and economic growth across the EU.

To do this, it builds “Knowledge and Innovation Communities” which essentially guide collaboration between different types of establishment, be they educational, research-based or commercial.

### **Post Brexit function:**

Apart from the funding opportunities that the EIT offers, for instance, to start-ups or researchers keen to monetise their ideas, the membership positives are difficult to discern. It is an obvious attempt to plan the EU economy according to the way that experts see it, a task that can easily be accomplished by British institutions where it is required at all and by private investors within the successful British start-up system where it is not.

### **Recommendation: A - Leave the agency**

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<sup>58</sup>EIT, Decision 38/2015 of the Governing Board of the European Institute of Innovation and Technology (EIT), p.3, <<https://eit.europa.eu/sites/default/files/EIT%20GB%20Decision%20-%20Budget%20and%20Establishment%20Plan%202016.pdf#page=3>>  
<sup>59</sup>Ibid., p.24.

## European Insurance and Occupational Pensions Authority (EIOPA)



eiopa.europa.eu

**Location:** Frankfurt, Germany

**Established:** 2010

**Budget:** €21,762,500 – including contributions from non-EU<sup>60</sup>

**Staff:** 155 (General personnel: 93, Seconded National Experts: 27, Contract Agents: 35)<sup>61</sup>

### **Purpose:**

EIOPA's role is to look after the EU-wide pension system as the umbrella regulator, intended to promote stability and protect policyholders, pension scheme members and beneficiaries. It also promotes harmonisation as a way of coordinating EU-wide supervision and exchange.

It is also one of the EU agencies carrying out specific legal, technical or scientific tasks and giving evidence-based advice to help shape informed policies and laws at the EU and national level.

### **Post Brexit function:**

The UK will want to repatriate control over finance and financial regulation after leaving the EU. The prospect of the further supervisory convergence between the UK and the EU has severe negatives as the EU has a very patchy record in keeping its financial system stable. Moreover, gold-plating of regulation and anti-banking sentiment has been somewhat rising in the Eurozone ever since the 2008 crash, which can only have damaging consequences for all kinds of financial service, including pension provision.

Crucially, competence that the EU has or had over such regulation is typically associated with agreements by international, inter-institutional bodies such as the Basel Committee, so in leaving, the UK is unlikely to metaphorically lose a seat at the table.

### **Recommendation: A - Leave the agency**

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<sup>60</sup>European Insurance and Occupational Pensions Authority (EIOPA) Budget for 2016, p.2, <<https://eiopa.europa.eu/Publications/Administrative/EIOPA%20budget%202016.pdf#page=2>>

<sup>61</sup>Ibid.,p.18.

## European Investment Bank (EIB)



eib.org

**Location:** Luxembourg (with offices elsewhere)

**Established:** 1958

**Budget:** €1,589,300,000 (2015)<sup>62</sup>

**Staff:** 2,544 (2015)<sup>63</sup>

### **Purpose:**

The EIB is not a decentralised body, but an institution in its own right, owned by the EU member states. While formally established before the European Union proper was created, it now informally labels itself “The EU Bank”.

It works closely with other EU institutions, providing finance and expertise for sustainable investment projects that contribute to EU policy objectives and is in fact the world’s largest multilateral borrower and lender.

### **Post Brexit function:**

The EIB operates very much as the EU’s bank first and foremost. Negotiators should be wary of the fact that many of its lending projects are openly intended to realise EU political goals. However, the UK remains a significant shareholder of EIB assets and consideration must be given to this situation. Statements to the effect that the UK will be able to remain a shareholder after Brexit have already been made by bank officials, but whether staying in is in the UK’s broader interests is unclear.

The UK share of receipts are significantly less than the capital share, suggesting there is no interest in maintaining membership in development terms, especially since the bank is not allowed to make a profit. Also worrying is the EIB’s over-exposure to risky Deutsche Bank liabilities which could cost the UK billions. The UK share must be evaluated and its capital withdrawn. One option (as set out by Global Britain) is to expunge subscribed-but-not-called Share Capital of €33.7 billion; repay €3.5 billion paid-in; reclaim 16% share of reserves as a share over time; and buy out of €40 billion loans made by the EIB to UK borrowers through gilts.

### **Recommendation: A - Leave the agency**

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<sup>62</sup> EIB, The EIB Group Operational Plan 2016-2018, p.38, <[http://www.eib.org/attachments/strategies/cop2016\\_en.pdf#page=38](http://www.eib.org/attachments/strategies/cop2016_en.pdf#page=38)>

<sup>63</sup> EIB, Indicators on Human Resources 2015 of the EIB Group, p.5, <[http://www.eib.org/attachments/gri\\_2015\\_social\\_data\\_en.pdf#page=5](http://www.eib.org/attachments/gri_2015_social_data_en.pdf#page=5)>

## European Maritime Safety Agency (EMSA)



emsa.europa.eu

**Location:** Lisbon, Portugal

**Established:** 2003

**Budget:** €55,221,879 (2016)<sup>64</sup>

**Staff:** 207 (2015 draft budget)<sup>65</sup>

### **Purpose:**

EMSA is the EU equivalent of a kind of combined coastguard / navy, designed to police the EU's waters and enforce its regulations on the seas. The agency oversees the implementation of EU legislation on maritime safety, pollution by ships and maritime security, as well as conducting operational tasks in the field of oil pollution response, vessel monitoring and in long-range identification and tracking of vessels. The agency also has an executive role in inspecting ports and ensuring they comply with legislation.

The potential for overlap of activity with Frontex is often mooted, but the two are currently separate agencies.

### **Post Brexit function:**

Given the traditional strengths of the UK shipping sector and port system, as well as its navy, it seems unlikely that the UK would want to remain a part of EMSA. The potential for additional EU interference in the highly efficient UK private ports system also implies that the UK is unlikely to want to remain a member, given the economic damage such interference could have.

However, continued exchange of data on a voluntary basis would assist both sides, especially in monitoring situations involving oil spills, pirate activity and other sea-faring hostile entities which by their nature will usually affect all shipping regardless of nationality.

### **Recommendation: A - Leave the agency**

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<sup>64</sup> EMSA Budget 2017, p.2, <<http://emsa.europa.eu/emsa-documents/financial-documents.html>>

<sup>65</sup> EMSA Consolidated Annual Activity Report 2015, p.115, <<http://www.emsa.europa.eu/about/who-we-are/administrative-board/items.html?cid=81&id=2746>>

## European Medicines Agency (EMA)



ema.europa.eu

**Location:** London, UK

**Established:** 1995

**Budget:** €322,103,000 (2017) – including contributions from non-EU<sup>66</sup>

**Staff:** 799 (General personnel: 596, Contract Agents: 158, Seconded National Experts: 45) (authorised for 2017)<sup>67</sup>

### **Purpose:**

The EMA monitors the medicine product markets in the EU and carries out evaluation, analysis and certification of products before they are allowed to be sold. It plays a role in informing the public on the safety of medicines and cooperates with external parties, in particular representatives of patients and healthcare professionals, to achieve this, publishing clear and impartial information about medicines and their approved uses.

EMA also plays a role in supporting research and innovation in the pharmaceutical sector, and promotes innovation and development of new medicines by EU businesses.

### **Post Brexit function:**

The EMA has by far the largest budget and staff roster of all the EU's executive agencies. However, the majority of its budget is actually reliant on fees paid for its services, meaning it essentially pays for itself while employing a highly skilled workforce based in London. The UK may consider these facts when reviewing its membership, although whether EU member states will consent to the hosting of an EU agency in a non-EU country is another matter.

The key role of any liaison post will be to mitigate barriers arising from divergence in recognition. This consideration will form a key element of plans around long-form arrangements that should aspire to mutual recognition of standards. Up to that point, standards divergence will need mapping.

### **Recommendation: B - Strategic association**

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<sup>66</sup>EMA, Budget for 2017, p.3, <[http://www.ema.europa.eu/docs/en\\_GB/document\\_library/Report/2016/12/WC500218299.pdf#page=3](http://www.ema.europa.eu/docs/en_GB/document_library/Report/2016/12/WC500218299.pdf#page=3)>

<sup>67</sup>Ibid., p.16.

## European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)



emcdda.europa.eu

**Location:** Lisbon, Portugal

**Established:** 1995

**Budget:** €15,393,962 (2016) – including contributions from non-EU<sup>68</sup>

**Staff:** 79<sup>69</sup>

### **Purpose:**

The EMCDDA exists to provide the EU and its Member States with a factual overview of European drug problems and a solid evidence base to support the drugs debate. The agency offers policymakers the data they need for drawing up informed drug laws and strategies. It also helps professionals and practitioners working in the field pinpoint best practice and new areas of research.

### **Post Brexit function:**

Apart from data-sharing, especially in the fields of research and investigation, the UK can take on the work of EMCDDA domestically in its own agencies. The UK need not remain a formal member of this agency or contribute to its budget in order to continue sharing data and best-practice evidence.

### **Recommendation: A - Leave the agency**

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<sup>68</sup>EMCDDA, EMCDDA budget for 2016, p.1,  
<<http://www.emcdda.europa.eu/system/files/publications/2026/2016%20EMCDDA%20budget.pdf>>

<sup>69</sup>Ibid., p.19.



## European Network and Information Security Agency (ENISA)



enisa.europa.eu

**Location:** Athens, Greece.

**Established:** 2004

**Budget:** €10,064,273 (2015)<sup>70</sup>

**Staff:** 48 (2015)<sup>71</sup>

### **Purpose:**

ENISA is an EU equivalent of a cybersecurity agency, actively marketing for a high level of network and information security within the EU to assist the functioning of the EU's internal market. It provides advice, carries out consultation research and suggests solutions in the areas of cybersecurity, including data protection, privacy enhancing technology. It also carries out a general scrutiny of new devices, software and services in order to inform EU institutions and member states on the best way to draft new legislation.

### **Post Brexit function:**

Apart from data-sharing, especially in the fields of research and investigation, the UK can take on the work of ENISA domestically in its own agencies. It is also important that the UK create cybersecurity requirements that fit with its own economic model and it need not remain a formal member of this agency or contribute to its budget in order to continue sharing data and best-practice evidence.

### **Recommendation: A - Leave the agency**

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<sup>70</sup>ENISA, Annual Activity Report 2015, p.27, <<https://www.enisa.europa.eu/publications/corporate/enisa-annual-activity-report-2015#page=27>>

<sup>71</sup>Ibid., p.36.

## European Police Office (Europol)



europol.europa.eu

**Location:** The Hague, Netherlands

**Established:** 2009

**Budget:** € 100,242,000 (2016)<sup>72</sup>

**Staff:** 705 (General Personnel: 505, Contract Agents: 135, Seconded National Experts: 65) (2016)<sup>73</sup>

### **Purpose:**

Europol is the official intelligence agency of the EU, coordinating police and investigation forces across Europe, but also in countries outside of the EU, including as far afield as the United Arab Emirates. The agency's priority is fighting serious international crime and terrorism, as well as cybercrime, online radicalisation and people smuggling.

### **Post Brexit function:**

It seems likely that the UK will continue to cooperate on a voluntary with Europol and other intelligence agencies after Brexit, although Europol's usefulness is upstaged by the more globally-minded Interpol. Interpol's remit not only overlaps with the majority of its competency areas, and in a much wider geographical area; it also on review has a much wider area of engagement than the cobbled-together and accreting competences currently held by Europol (see the following table).

Either way, there are numerous non-EU states already collaborating with Europol (as we pointed out earlier over the Canadian association in our introductory pages), so precedent has already been set for this. Moreover, Norway was able to post one officer covering the entire Europol remit as long ago as 2002.

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<sup>72</sup> Europol, Budget 2017 (Amended 2), p.1, <<https://www.europol.europa.eu/about-europol/finance-budget>>

<sup>73</sup> Ibid., p.5.

## Comparison: Interpol vs. Europol

	Interpol	Europol <sup>74</sup>
<b>Objectives</b>	Aim to facilitate international police cooperation even where diplomatic relations do not exist between particular countries and in the spirit of the Universal Declaration of Human Rights	Acting as EU-wide law enforcement, conducting information exchange, intelligence analysis, expertise and training
<b>Governing Body</b>	Interpol General Assembly	EU Justice and Home Affairs Council via the Europol Management Board
<b>Areas of responsibility</b>	<p>All Chemical, biological, radiological and nuclear crimes</p> <p>All Corruption</p> <p>All Crimes against children</p> <p>All Crimes in sport</p> <p>All Cybercrime</p> <p>All Drugs</p> <p>All Environmental crime</p> <p>All Financial crime</p> <p>All Firearms</p> <p>All Fugitive investigations</p> <p>All Maritime piracy</p> <p>All Organized crime</p> <p>All Pharmaceutical crime</p> <p>All Terrorism</p> <p>All Trafficking in human beings</p>	<p>Crime Connected with Nuclear and Radioactive Substances</p> <p>All Corruption</p> <p>Child Sexual Exploitation</p> <p>All Crimes in sport;</p> <p>All Cybercrime</p> <p>All Drugs</p> <p>All Environmental crime</p> <p>Range of specific financial crimes (esp Euro related)</p> <p>Illicit firearms trafficking</p> <p>All Maritime Piracy</p> <p>Organised property crime; Motorcycle Gangs; Mobile Organised Crime Groups Mafia-Structured Organised Crime Groups (OCG)</p> <p>Illicit Trafficking in Hormonal Substances and Other Growth Promoters</p> <p>All Terrorism</p> <p>Trafficking in Human Beings, Facilitation of Illegal Immigration</p>

<sup>74</sup> Red font indicates overlap in operations.

	All Trafficking in illicit goods and counterfeiting	Intellectual property crime; Counterfeit Goods; Illicit Tobacco Trade; Forgery of Administrative Documents and Trafficking; Illicit Trade in Human Organs and Tissue
	All Vehicle crime	Trafficking in Stolen Vehicles
	All War crimes	Kidnapping, Illegal Restraint and Hostage Taking
	All Works of art	Illicit Trafficking in Cultural Goods, Including Antiquities and Works of Art
		Racism and Xenophobia

**Recommendation: B - Strategic association**

## **(Proposed) European Public Prosecutor's Office (EPPO)**



No official website yet

**Location:** TBC

**Established:** TBC

**Budget:** TBC

**Staff:** TBC

### **Purpose:**

The EPPO is an agency planned by the EU with the authority to investigate and prosecute fraud and other crimes affecting the EU's financial interests. Currently, only national authorities can investigate and prosecute EU fraud. Their competences stop at their national borders, but the EPPO will combine European and national law-enforcement efforts in a unified, seamless and efficient approach to counter fraud, creating a European legal area across the member states.

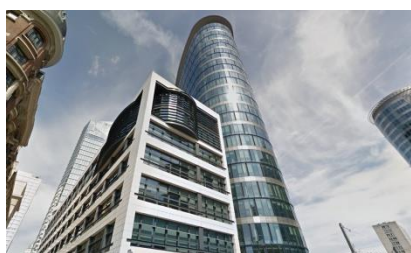
The EPPO fills a competency gap between OLAF, Eurojust and Europol, with the power to conduct criminal investigations within its remit.

### **Post Brexit function:**

The creation of the EPPO, which might be deemed a positive for many member states with less well-established legal traditions and historic adherence to the rule of law, would carry major negative impact for the UK. The implementation of a semi-harmonised European legal zone would complicate established and accepted UK traditions in justice, with *Habeas Corpus* and trial by jury being those most highlighted by critics of the EPP project. The UK has an established and distinct legal system and systemically is fundamentally uncorrupt. Therefore, the UK should remain detached from this body.

**Recommendation: A - Leave the agency**

## European Research Council (ERC)



erc.europa.eu

**Location:** Brussels, Belgium

**Established:** 2006

**Budget:** €1,800,000,000 (2016)<sup>75</sup>

**Staff:** 108 (2015)<sup>76</sup>

### **Purpose:**

The ERC's mission is to encourage the highest quality research in Europe through competitive funding and to support investigator-driven frontier research across all fields, on the basis of scientific excellence. The ERC works in addition to other funding activities in Europe such as those of the national research funding agencies, and is a component of Horizon 2020, the EU's research programme for 2014 to 2020.

ERC grants are awarded through open competition to projects headed by researchers, irrespective of their origins, who are working or moving to work in Europe. The ERC also aims, in the long term, to substantially strengthen and shape the European research system via high quality peer review, the establishment of international benchmarks of success, and the provision of up-to-date information on what makes research successful.

### **Post Brexit function:**

While the UK leads the continent in providing world-class academic institutions, the EU itself lags behind the global Anglosphere. Currently half of the UK's academic papers are written as the fruit of international collaboration, yet the preference, because of EU funding from agencies such as the ERC, is not to cooperate with English Speaking countries that host these world status institutions.

Brexit allows an opportunity to remove political bias from parts of academia. ERC funding has created a normative group-think relating to EU matters and restoring decision-making to UK grant awarding bodies provides a major new opportunity for them to generate new focus with this restored money.

### **Recommendation: A - Leave the agency**

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<sup>75</sup>ERC, Press release: ERC to invest record budget in 2017,  
<[https://erc.europa.eu/sites/default/files/press\\_release/files/erc\\_work\\_programme\\_2017.pdf](https://erc.europa.eu/sites/default/files/press_release/files/erc_work_programme_2017.pdf)>

<sup>76</sup> ERC, Final Annual Accounts, 2016, p.54,  
<[https://erc.europa.eu/sites/default/files/document/file/Final\\_annual\\_accounts\\_2015.pdf#page=54](https://erc.europa.eu/sites/default/files/document/file/Final_annual_accounts_2015.pdf#page=54)>

## European Securities and Markets Authority (ESMA)



esma.europa.eu

**Location:** Paris, France

**Established:** 2009

**Budget:** €42,184,919 (2017)<sup>77</sup>

**Staff:** 150 (2017)<sup>78</sup>

### **Purpose:**

ESMA is an independent EU Authority that contributes to safeguarding the stability of the European Union's financial system by enhancing the protection of investors and promoting stable and orderly financial markets.

It achieves this by: assessing risks to investors, markets and financial stability, completing a single rulebook for EU financial markets, promoting supervisory convergence and directly supervising credit rating agencies and trade repositories.

### **Post Brexit function:**

It is in the interests of a UK outside the EU to see non-tariff barriers removed and the creation of a well-functioning area where services (especially financial ones) can be traded with mutually recognised standards. However, the EU has a patchy record in stabilising its financial system, as recent ongoing crises illustrate. The prospect of the further supervisory convergence between the UK and the EU therefore has severe negative consequences. Continued membership may mean the UK having to integrate further into an EU managed system, a scenario that should be avoided.

### **Recommendation: A - Leave the agency**

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<sup>77</sup>ESMSA, European Securities and Markets Authority (ESMA) Budget for 2017, p.1, <[https://www.esma.europa.eu/sites/default/files/library/esma63-43-485\\_european\\_securities\\_and\\_markets\\_authority\\_2017\\_budget.pdf](https://www.esma.europa.eu/sites/default/files/library/esma63-43-485_european_securities_and_markets_authority_2017_budget.pdf)>

<sup>78</sup>Ibid., p.6.

## European Systemic Risk Board (ESRB)



[esrb.europa.eu](http://esrb.europa.eu)

**Location:** Frankfurt, Germany

**Established:** 2009

**Budget:** €8,500,000 (direct costs only)

**Staff:** 108

### **Purpose:**

The ESRB is responsible for the macroprudential oversight of the EU financial system and the prevention and mitigation of systemic risk. The agency has a broad remit, covering banks, insurers, asset managers, shadow banks, financial market infrastructures and other financial institutions and markets.

In pursuit of its mandate, the ESRB monitors and assesses systemic risks and, where appropriate, issues warnings and recommendations.

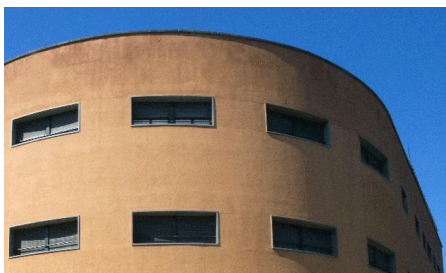
### **Post Brexit function:**

Again, with the repatriating of control over financial regulation, the UK is unlikely to want to continue being a member of EU financial regulating bodies, except in a monitoring and data-exchange capacity.

**Recommendation: A - Leave the agency**



## European Training Foundation (ETF)



etf.europa.eu

**Location:** Turin, Italy

**Established:** 1990

**Budget:** €20,593,142 (2015)<sup>79</sup>

**Staff:** 90 (2015)<sup>80</sup>

### **Purpose:**

ETF is another training and education planning agency similar in purpose to Eurofound or CEDEFOP, but for non-EU countries, including those who are in transitional arrangements on the road to full EU membership. The agency works to help transition and developing countries 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 foreign policy.

### **Post Brexit function:**

Association with this agency will not be required for the UK, which is a developed market economy.

### **Recommendation: A - Leave the agency**

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<sup>79</sup>ETF, Consolidated Annual Activity Report 2015, p.64,

<[http://www.etf.europa.eu/wpubdocs.nsf/0/F66E449F914AE48BC1257FD300307F36/\\$File/GB16DEC003\\_EN.pdf#page=64](http://www.etf.europa.eu/wpubdocs.nsf/0/F66E449F914AE48BC1257FD300307F36/$File/GB16DEC003_EN.pdf#page=64)>

<sup>80</sup>Ibid., p.8.

## European Union Agency for Fundamental Rights (FRA)



[fra.europa.eu/en](http://fra.europa.eu/en)

**Location:** Vienna, Austria

**Established:** 2007

**Budget:** €22,704,500 (2017)<sup>81</sup>

**Staff:** 72 (2017)<sup>82</sup>

### **Purpose:**

The EU's centre of fundamental rights expertise, the agency provides expert advice to the institutions of the EU and member states on a range of issues, including fundamental rights of people living in the EU.

### **Post Brexit function:**

Seen as the basis for a kind of EU office of citizens' rights, building towards the architecture of an EU bill of rights and constitution (and an obvious area for judicial activism and European integration), the FRA already has significant limits set on its power in the UK.

For a country like the UK which already has long-established legal framework for freedoms and rights, adding a new layer of protections means adding unnecessary complexity, uncertainty and contradiction, and risks public hostility. The UK already has significant opt-outs; these need to be made permanent and complete, validating complete withdrawal from this agency.

### **Recommendation: A - Leave the agency**

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<sup>81</sup>FRA, Statement of revenue and expenditure of the European Union Agency for Fundamental Rights for the financial year 2017, p.2, <[http://fra.europa.eu/sites/default/files/fra\\_uploads/statement-revenue-expenditure-2017-2\\_en.pdf#page=2](http://fra.europa.eu/sites/default/files/fra_uploads/statement-revenue-expenditure-2017-2_en.pdf#page=2)>

<sup>82</sup>Ibid., p.42.

## European Union Agency for Railways (formerly European Railway Agency) (ERA)



era.europa.eu

**Location:** Valenciennes, France

**Established:** 2004 (as European Railway Agency)

**Budget:** €24,659,000 (2015)<sup>83</sup>

**Staff:** 137 (Authorised under the EU Budget and amended by Board 2015)<sup>84</sup>

### **Purpose:**

The mission of the ERA is: “Making the railway system work better for society” [sic].

To achieve this, the agency contributes, on technical matters, to the implementation of EU legislation aimed at improving the competitive position of the railway sector, harmonising regulations to improve interoperability and safety, as well as developing an EU-wide certification system that authorises trans-European train operations.

### **Post Brexit function:**

The UK’s integration into the EU railways system has always been a technically difficult one since the UK’s rail network is much older and of different design to most European ones. Also, by matter of geography, not very much railway traffic really crosses UK-EU borders. The two exceptions are the Channel Tunnel and the Northern Irish border. In the first case, Channel Tunnel traffic is governed by separate bilateral treaties (the Sangatte Protocol, including its additions) between the UK, France and Belgium. Northern Ireland is a special case which may require a bilateral arrangement.

Other than these specific examples, it is difficult to see how continued membership of this organisation would serve any useful purpose to the UK

### **Recommendation: A - Leave the agency**

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<sup>83</sup>ERA Annual Report 2015, p.45, <<http://www.era.europa.eu/Document-Register/Documents/ERA%20Annual%20Report%202015.pdf#page=45>>

<sup>84</sup>Ibid., p.78.

## European Union Intellectual Property Office (Formerly Office for Harmonization in the Internal Market) (EU IPO)



euipo.europa.eu

**Location:** Alicante, Spain

**Established:** 1994 (as Office for Harmonization in the Internal Market)

**Budget:** €384,200,000 (2015) (Note: almost entirely from operational revenue)<sup>85</sup>

**Staff:** 793<sup>86</sup>

### **Purpose:**

In a similar style to the EU's CVPO, the EUIPO is an agency acting as a hub for trademark registration and as an intellectual property rights guarantor and watchdog for the EU. Since inception, its activities include the management of the registration of the EU trade mark and the registered Community design, which proclaim a set of harmonised standards across the EU and which are protected under EU law.

### **Post Brexit function:**

As with the CVPO, there is no desperate need for continued UK membership of the EUIPO since in many cases it carries out advice and policy guidance functions that can be taken over by UK institutions.

Its staff roster is large and the office itself is very expensive to run. However, as the EUIPO operates largely apolitically within established frameworks and aspires to be "customer-driven" (as well as, in practice, fee-funded), it will not require formal "membership" status in order to be able to process applications from individuals or businesses. Certainly data exchange and mutual recognition of accreditation between the UK and the EU ought to be discussed if the UK is to protect its own intellectual property rights across the integrated European and UK markets.

However, those assessing UK affiliation need to consider the role played instead by a range of other regional and global copyright entities most which already overlap.

### **Recommendation: A - Leave the agency**

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<sup>85</sup>EUIPO, Annual Report of the Office 2015, p.1, <[https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document\\_library/contentPdfs/about\\_euipo/annual\\_report/annual\\_report\\_2015\\_extv\\_en.pdf](https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/about_euipo/annual_report/annual_report_2015_extv_en.pdf)>

<sup>86</sup>Ibid., p.15.

## European Union Satellite Centre (SatCen)



[www.satcen.europa.eu](http://www.satcen.europa.eu)

**Location:** Madrid, Spain

**Established:** 2002

**Budget:** €17,375,129 (2016 expenditure)<sup>87</sup>

**Staff:** 121 (2015)<sup>88</sup>

### **Purpose:**

The EU's satellite agency supports the decision making of the EU in the field of common foreign and security policy. This includes crisis management operations, providing products and services via space assets and data (like satellite imagery). The SatCen also assures technical development activities in direct support to its operational activities, as well as specialised training for its image analysts, including external participants from member states and Third States.

### **Post Brexit function:**

As a rule, the SatCen does not own any satellites of its own. It hires them from private or public organisations for specific tasks, or purchases the required imagery or data which it then packages into its own services and products. As such, the UK would easily be in a position to purchase specific SatCen data or products if it needed them without needing to be a "member" of the body. Unlike other EU countries, it has the technical expertise to analyse the products generated itself.

The UK Government ought to be aware that the SatCen is openly touted as an arm of the EU's Common Foreign and Security Policy, as well as integrated with EU Defence as an intelligence agency (covering Imint, imagery intelligence). Continued formal membership is likely to bring further obligations in these policy areas, and encourage pretensions that risk undermining NATO command structures.

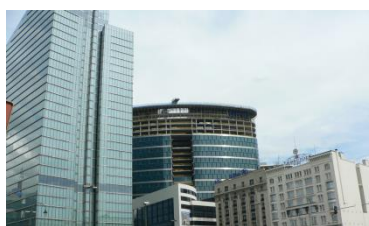
### **Recommendation: A - Leave the agency**

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<sup>87</sup>SatCen, Summary of Approved 2016 Budget, p.1,  
<[https://www.satcen.europa.eu/key\\_documents/Budget%20summary%202016574c0041f9d71d15787f4976.pdf](https://www.satcen.europa.eu/key_documents/Budget%20summary%202016574c0041f9d71d15787f4976.pdf)>

<sup>88</sup>SatCen, EU Satellite Centre Annual Report 2015, p.30,  
<[https://www.satcen.europa.eu/key\\_documents/GoodOne573450a9f9d71d2038efe735.pdf#page=30](https://www.satcen.europa.eu/key_documents/GoodOne573450a9f9d71d2038efe735.pdf#page=30)>

## Executive Agency for Small and Medium Sized Enterprises (EASME)



ec.europa.eu/easme

**Location:** Brussels, Belgium

**Established:** 2013 (as Executive Agency for Competitiveness and Innovation)

**Budget:** €500,000,000 (2014-15)<sup>89</sup>

**Staff:** 67

### **Purpose:**

The EASME is an arm of the European Commission, managing several EU funding initiatives targeted towards smaller and medium sized businesses intended to promote innovation. These include the Sustainable Industry Low Carbon scheme and a number of other environmental and climate action funds, and a maritime and fisheries fund.

### **Post Brexit function:**

Any activities funded through this body can be replicated at national level.

### **Recommendation: A - Leave the agency**

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<sup>89</sup>EASME, SME Instrument budget – how does it work?, <<https://ec.europa.eu/easme/en/news/sme-instrument-budget-how-does-it-work>>

## **Innovation and Networks Executive Agency (INEA)**

ec.europa.eu/inea/en/welcome-to-innovation-networks-executive-agency

**Location:** Brussels, Belgium

**Established:** 2006 (formerly Trans-European Transport Network Executive Agency)

**Budget:** € 14,176,000 (2015)<sup>90</sup>

**Staff:** 49 (2014)<sup>91</sup>

### **Purpose:**

The INEA was created by the European Commission to manage the technical and financial implementation of the Trans-European Transport Network infrastructure programme, including:

- Connecting Europe Facility (CEF).
- Parts of Horizon 2020 – Smart, green and integrated transport + Secure, clean and efficient energy.
- Legacy programmes: TEN-T and Marco Polo 2007-2013.

INEA's objective is to increase the efficiency of the technical and financial management of the programmes it manages.

### **Post Brexit function:**

The problem with this agency is that it attempts to pick winners from the economy based on EU priorities, and runs trans-European infrastructure projects of little economic value to the UK nationally. It does so using UK taxpayers' money with only around half UK contributions actually returning to the UK. Consequently there is no UK value in continued association.

### **Recommendation: A - Leave the agency**

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<sup>90</sup> INEA, Statement of Revenue and Expenditure of the Innovation and Networks Executive Agency for the Financial Year 2014, p.1, <[http://ec.europa.eu/inea/sites/inea/files/download/key\\_agency\\_documents/budget2014/2014\\_budget.pdf](http://ec.europa.eu/inea/sites/inea/files/download/key_agency_documents/budget2014/2014_budget.pdf)>

<sup>91</sup> Ibid., p.3.

## Research Executive Agency (REA)



[ec.europa.eu/rea](http://ec.europa.eu/rea)

**Location:** Brussels, Belgium

**Established:** 2007

**Budget:** €1,599,120,000 (2014)<sup>92</sup>

**Staff:** 618 (2015)<sup>93</sup>

### **Purpose:**

The REA is an EU funding body for research and innovation. It manages a number of EU research grants, including parts of Horizon 2020. It provides support to clients, funding applicants, beneficiaries and independent experts, keeping close contact with beneficiaries of EU funds and managing the European Commission research enquiry service, which answers questions from grant applicants, EU-funded researchers and the public.

The REA also supports independent experts evaluating project proposals competing for EU research funds, and helps with the legal and financial validation of those programme participants.

### **Post Brexit function:**

UK association depends on the nature of future UK funding agreements with the EU. In certain cases, both Norway and Iceland have signed up to Horizon 2020 programmes administered by REA. But UK participation in research projects makes more sense as an external partner.

### **Recommendation: A - Leave the agency**

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<sup>92</sup>Research Executive Agency - annual activity report 2015, p.20, <[https://ec.europa.eu/info/publications/annual-activity-report-2015-research-executive-agency\\_en](https://ec.europa.eu/info/publications/annual-activity-report-2015-research-executive-agency_en)>

<sup>93</sup>Ibid., p.5.



## Single Resolution Board (SRB)



srb.europa.eu

**Location:** Brussels, Belgium

**Established:** 2015

**Budget:** €90,738,000 (from credit institution fees) (2017)<sup>94</sup>

**Staff:** 110 (2015)<sup>95</sup>

### **Purpose:**

The SRB was created to respond to frequent Euro area crises, forward planning mechanisms to avoid future bail-outs and worst-case scenarios.

The SRB provides the planning mechanism behind the Single Resolution Mechanism (SRM) implementation, designed to pre-empt bail-outs.

### **Post Brexit function:**

As the UK will be outside the common budget and will remain outside the Eurozone, these functions can be carried out domestically.

### **Recommendation: A - Leave the agency**

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<sup>94</sup> SRB, Budget 2017, p.2, <[https://srb.europa.eu/sites/srbsite/files/srb\\_budget\\_2017.pdf](https://srb.europa.eu/sites/srbsite/files/srb_budget_2017.pdf)>

<sup>95</sup> Ibid., p.44.

## The European Union Agency for Law Enforcement Training (CEPOL)



cepol.europa.eu

**Location:** Budapest, Hungary

**Established:** 2005 (as European Police College)

**Budget:** €10,291,700 (2016) – including contributions from non-EU<sup>96</sup>

**Staff:** 28 (2016)<sup>97</sup>

### **Purpose:**

CEPOL is the EU's college of police training. Although there is no official EU police force as yet, it is accepted opinion in the EU that standards must be harmonised and philosophies converged in order that police and law enforcement may cooperate across borders. Part of CEPOL's remit is to address dangers of cross-border organised crime and terrorism by sharing techniques of best practice. CEPOL also works with EU bodies, international organisations, and third countries to ensure that the most serious security threats are tackled with a collective response.

However, sensitive issues around national control of law and order have meant the original EU police training college has been controversial in some states given its implicit integrationist stance. The original headquarters was hosted in the UK, but once it became clear that the agency would be a permanent body (as opposed to a kind of occasional conference mechanism for sharing best practice), the UK subsequently opted out of involvement resulting in the offices being moved to Hungary.

### **Post Brexit function:**

The UK left CEPOL while an EU member and even while hosting the headquarters office: this should provide the clearest indicator of the ongoing desirability of detachment from this body.

### **Recommendation: A - Leave the agency**

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<sup>96</sup>CEPOL, Statement of revenue and expenditure of the European Police College (CEPOL) for the financial year 2016, p.2, <<https://www.cepol.europa.eu/sites/default/files/budget-2016.pdf#page=2>>

<sup>97</sup>Ibid., p.5.

## The European Union's Judicial Cooperation Unit (Eurojust)



eurojust.europa.eu

**Location:** The Hague, Netherlands

**Established:** 2002

**Budget:** €4,539,737 (2015)<sup>98</sup>

**Staff:** 203 (2016)<sup>99</sup>

### **Purpose:**

Eurojust is an agency whose role is to stimulate and improve the coordination of investigations and prosecutions, as well as general cooperation between competent authorities in member states, in particular by facilitating the execution of international mutual legal assistance and the implementation of extradition requests. Eurojust also helps to render member states' investigations and prosecutions more effective when dealing with cross-border crime. It is also able, through the Council of the EU, to conclude cooperation agreements with non-EU states and international organisations or bodies for the exchange of information.

Eurojust's competence covers the same types of crime and offences for which Europol has competence, such as terrorism, drug and human trafficking, counterfeiting and laundering, computer crime, crime against property and environmental crime.

### **Post Brexit function:**

The UK is unlikely to want to share a court with European states, whose legal systems and traditions are very different (a reality met with friction by the UK public). However, a review of data-sharing mechanisms would be in order.

### **Recommendation: A - Leave the agency**

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<sup>98</sup><http://www.eurojust.europa.eu/doclibrary/budget-finance/budgets/Eurojust%20budget%202016/Eurojust%20budget%202016.pdf>=page=2

<sup>99</sup><http://www.eurojust.europa.eu/doclibrary/budget-finance/budgets/Eurojust%20budget%202016/Eurojust%20budget%202016.pdf>=page=5

## Translation Centre for the Bodies of the European Union (CdT)



cdt.europa.eu

**Location:** Luxembourg.

**Established:** 1994

**Budget:** €48,507,500<sup>100</sup>

**Staff:** 200 (2013)<sup>101</sup>

### **Purpose:**

The EU's core institutions, as well as numerous and sprawling executive agencies operate with staff from across Europe. So the CdT is the agency set up to manage translation, interpreting and provide similar services within these bodies and externally. This type of cooperation is established on a voluntary basis and with the aim of absorbing any surplus work which may arise.

### **Post Brexit function:**

As this agency primarily works to coordinate translation within the EU institutions, it is unlikely the UK would need to remain a part of it. Plus most of the workload of the EU happens to be carried out in English.

### **Recommendation: A - Leave the agency**

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<sup>100</sup>CdT, Budget 2017, p.9, <[http://cdt.europa.eu/CDT%20Documents/Budget%202017/Budget2017\\_Final\\_EN.pdf#page=9](http://cdt.europa.eu/CDT%20Documents/Budget%202017/Budget2017_Final_EN.pdf#page=9)>

<sup>101</sup>CdT, Presentation, <<http://cdt.europa.eu/EN/whoweare/Pages/Presentation.aspx>>

## Euratom Supply Agency (ESA)



[ec.europa.eu/esa](http://ec.europa.eu/esa)

**Location:** Luxembourg

**Established:** Euratom treaty signed in 1957

**Budget:** €1,600,000,000 (2014-2018)<sup>102</sup>

**Staff:** 17 (2015)<sup>103</sup>

### **Purpose:**

Euratom functions in two ways. First, it provides the legal framework for civil nuclear power generation and radioactive waste management for its members. Secondly, it manages arrangements for nuclear safeguards, safety, research and the movement and trade of nuclear materials.

### **Post Brexit function:**

The UK Government has already moved a motion in the Commons to leave the Euratom executive agency alongside the EU as a whole. Its aim for the future relationship with Euratom has been set out clearly in the Commons bill: "to maintain the present mutually successful civil nuclear cooperation with EU nations and with other partner nations around the world. As far as possible, the Government wishes to see continuity of co-operation and standards we remain committed to the highest standards of nuclear safety, safeguards and support for the industry."

As an example of what the default position of the UK should be towards the majority of the EU executive agencies, this is an approach consistent with the points highlighted earlier in this paper. Mutually beneficial activity should continue voluntarily, but any involuntary obligations placed upon the UK as far as being a full member is concerned should be discontinued.

### **Recommendation: A - Leave the agency**

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<sup>102</sup>ESA, Factsheet: Horizon 2020 budget, p.1, <[http://ec.europa.eu/research/horizon2020/pdf/press/fact\\_sheet\\_on\\_horizon2020\\_budget.pdf](http://ec.europa.eu/research/horizon2020/pdf/press/fact_sheet_on_horizon2020_budget.pdf)>

<sup>103</sup>ESA, Annual Report 2015, p.18, <<http://ec.europa.eu/euratom/ar/last.pdf#page=18>>

## Fusion for Energy (European Joint Undertaking for ITER and the Development of Fusion Energy)



fusionforenergy.europa.eu

**Location:** Barcelona, Spain

**Established:** 2007

**Budget:** €490,115,165 (2015)<sup>104</sup>

**Staff:** 252 (Places filled: 2015)<sup>105</sup>

### **Purpose:**

Fusion for Energy (F4E) has three objectives:

- Providing Europe's contribution to ITER, the world's largest scientific partnership that aims to demonstrate fusion as a viable and sustainable source of energy. ITER brings together seven parties that represent half of the world's population – the EU, Russia, Japan, China, India, South Korea and the United States.
- Supporting fusion research and development initiatives through the Broader Approach Agreement, signed with Japan – a fusion energy partnership which will last for 10 years.
- Contributing towards the construction of demonstration fusion reactors.

### **Post Brexit function:**

While the facilities are located in the EU, this is a project conducted jointly with many non-EU countries, many of whom are traditional UK collaborators and share the same goals. Funding is also usually on a contractual basis, so any moves that future Governments object to can be withdrawn from with only limited liabilities. For now, there is no reason to discontinue close engagement with the agency, though this may change over time.

### **Recommendation: C - Remain full member**

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<sup>104</sup> F4E, Final Annual Accounts 2015, p.13,

<[http://fusionforenergy.europa.eu/downloads/aboutf4e/F4E\\_2015\\_Final%20Accounts.pdf#page=13](http://fusionforenergy.europa.eu/downloads/aboutf4e/F4E_2015_Final%20Accounts.pdf#page=13)>

<sup>105</sup> Ibid., p.72.

## Joint European Torus (JET) (EUROfusion)



[euro-fusion.org/jet/](http://euro-fusion.org/jet/)

**Location:** Culham, UK

**Established:** 2014

**Budget:** €283,000,000 contract until end of 2018<sup>106</sup>

**Staff:** 500<sup>107</sup>

### **Purpose:**

The Joint European Torus (JET) investigates the potential of fusion power as a safe, clean, and virtually limitless energy source for future generations. The largest tokamak in the world, it is the only operational fusion experiment capable of producing fusion energy. As a joint venture, JET is collectively used by more than 40 European laboratories. The European Consortium for the Development of Fusion Energy, EUROfusion for short, provides the work platform to exploit JET in an efficient and focused way. As a consequence more than 350 scientists and engineers from all over Europe currently contribute to the JET programme.

Operation of the JET facilities is provided as an in-kind contribution to the consortium via a contract between the European Commission and the Culham Centre for Fusion Energy.

### **Post Brexit function:**

Operation of JET includes cooperation from non-EU countries (including Ukraine) and funding is provided on a contractual basis, secured until the end of 2018. In addition, the facility is located within the UK, bringing all the economic effects of a large research base. There is no reason for the UK to leave the agency in that time, assuming that agreement on the programme's one simple objective (i.e. to develop viable fusion power) continues.

### **Recommendation: C - Remain full member**

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<sup>106</sup> EUROfusion, JET operation secured until 2018, 9th July 2014, <<https://www.euro-fusion.org/2014/07/jet-operation-secured-until-2018/>>

<sup>107</sup> Culham Centre for Fusion Energy, About Us, <<http://www.ccf.ac.uk/ccfe.aspx>>.

## EU Agencies in Brief

Agency	Annual budget (euros)	Staff	Location of HQ	Page no.
Agency for the Cooperation of Energy Regulators (ACER)	11,266,000	73	Slovenia	5
Authority for European Political Parties and European Political Foundations	50,905,000		Belgium	6
Body of European Regulators of Electronic Communications (BEREC)	4,246,000	23	Latvia	7
Community Fisheries Control Agency (CFCA)	9,217,000	51	Spain	8
Community Plant Variety Office (CVPO)	12,840,000	45	France	9
Consumers, Health, Agriculture and Food Executive Agency (Chafea)	8,679,446	28	Luxembourg	10
Education, Audiovisual and Culture Executive Agency (EACEA)	49,790,000	450	Belgium	11
European Agency For Safety And Health At Work (OSHA)	15,083,700	67	Spain	12
European Agency for the Operational Management of Large Scale IT systems in the Area of Freedom, Security and Justice (eu-LISA)	80,022,000	138	Estonia	13
European Anti-Fraud Office (OLAF)	58,175,500	391	Belgium	14
European Asylum Support Office (EASO)	63,200,000	149	Malta	15
European Aviation Safety Agency (EASA)	149,393,000	676	Germany	16
European Banking Authority (EBA)	38,064,000	127	UK	17
European Border and Coast Guard Agency (Frontex)	254,035,000	417	Poland	18
European Central Bank (ECB)	953,833,129	2500	Germany	20
European Centre for Disease Prevention and Control (ECDC)	58,451,950	186	Sweden	21
European Centre For The Development Of Vocational Training (CEDEFOP)	18,019,949	94	Greece	22
European Chemicals Agency (ECHA)	107,367,309	465	Finland	23
European Data Protection Supervisor (EDPS)	8,760,417	60	Belgium	24
European Defence Agency (EDA)	30,531,000	123	Belgium	25
European Environment Agency (EEA)	41,809,234	198	Denmark	27
European Food Safety Authority (EFSA)	79,504,315	327	Italy	29
European Foundation For The Improvement Of Living And Working Conditions (EUROFOUND)	21,086,000	120	Ireland	30
European Global Navigation Systems Agency (GSA)	29,160,810	192	Czech Republic	31
European Institute For Gender Equality (EIGE)	7,484,639	28	Lithuania	32
European Institute for Security Studies (EUISS)	5,345,266	44	Belgium	33
European Institute of Innovation and Technology (EIT)	285,032,442	63	Hungary	34
European Insurance and Occupational Pensions Authority (EIOPA)	8,461,389	155	Germany	35
European Investment Bank (EIB)	1,589,300,000	2544	Luxembourg	36
European Maritime Safety Agency (EMSA)	55,221,879	207	Portugal	37
European Medicines Agency (EMA)	322,103,000	799	UK	38
European Monitoring Centre For Drugs And Drug Addiction (EMCDDA)	15,393,962	79	Portugal	39
European Network And Information Security Agency (ENISA)	10,064,273	48	Greece	40
European Police Office (Europol)	100,242,000	705	Netherlands	41
(Proposed) European Public Prosecutor's Office (EPPO)	tbc	tbc	tbc	44
European Research Council (ERC)	1,800,000,000	108	Belgium	45
European Securities and Markets Authority (ESMA)	42,184,919	150	France	46
European Systemic Risk Board (ESRB)	8,500,000	108	Germany	47



European Training Foundation (ETF)	20,593,142	90	Italy	48
European Union Agency For Fundamental Rights (FRA)	22,704,500	72	Austria	49
European Union Agency for Railways (formerly European Railway Agency) (ERA)	24,659,000	137	France	50
European Union Intellectual Property Office (EU IPO) (Formerly Office for Harmonization in the Internal Market)	384,200,000	793	Spain	51
European Union Satellite Centre (SatCen)	17,375,129	121	Spain	52
Executive Agency for Small and Medium Sized Enterprises (EASME)	500,000,000	67	Belgium	53
Innovation and Networks Executive Agency (INEA)	14,176,000	49	Belgium	54
Research Executive Agency (REA)	1,599,120,000	618	Belgium	55
Single Resolution Board (SRB)	90,738,000	110	Belgium	56
The European Union Agency for Law Enforcement Training (CEPOL)	10,291,700	28	Hungary	57
The European Union's Judicial Cooperation Unit (Eurojust)	4,539,737	203	Netherlands	58
Translation Centre for the Bodies of the European Union (CdT)	48,507,500	200	Luxembourg	59

### Non-EU Agencies

Euratom Supply Agency (ESA)	400,000,000 <sup>108</sup>	17	Luxembourg	60
Fusion for Energy (European Joint Undertaking for ITER and the Development of Fusion Energy)	490,115,165	252	Spain	61
Joint European Torus (JET) – (EUROfusion)	70,750,000 <sup>109</sup>	500	UK	62

### Total

<b>53 agencies</b>	<b>10,100,544,401</b>	<b>15,027</b>	<b>3 in UK</b>	<b>-</b>
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<sup>108</sup> Estimated annual average for contract term.

<sup>109</sup> Estimated annual average for contract term.

## Conclusion

These pages are not intended as an attack on the eclectic network of cooperative bodies that criss-cross Europe. But it is an attempt to encourage people to spread beyond the continent in their perspective. Restoring decision making to UK bodies - be it grant-awarding, research-based or simply intergovernmental policy agreements that share best practice - upon leaving the EU provides a major opportunity not only to save money from duplicated or discredited types of EU work. But it also, where EU political objectives have frustrated the UK, means the development of more nationally-focused priorities and systems whereby we voluntarily and enthusiastically contribute to collective projects and willingly take responsibility for their consequences.

While the default of this paper has been to advocate withdrawal, this is not with the objective of total isolation. Cooperation in today's world is arguably more important than ever, especially on the sizeable issues of the day. But cooperation has to be just that: cooperative. With the UK inside the EU, the UK has no choice but to contribute cash towards duplication, badly-directed research and foreign policy objectives that may go against its own interests. It has no choice but to obey the European Courts, drawing it into greater obligations and drawing it further from its own political path onto a badly-defined "European" one.

Outside the EU, the UK can voluntarily contribute to all manner of collective projects. Many EU projects are designed to foster greater collaboration with neighbouring, non-EU countries and benefit both sides by creating value via mutual exchange. However, the UK may also if it wishes, decide to focus its resources on joint projects elsewhere in the world, such as across the Atlantic or with developing economies or Commonwealth partners. Indeed, recent polling has suggested that close cooperation among countries such as Canada, New Zealand and Australia are seen as of greater benefit by the UK public than with the EU.

The UK has traditionally been active in global politics. It is a member of NATO, of the G8, WTO, Council of Europe, and UN (with its myriad of groups) to name but a few. Politicians now must tread a path now between two common perspectives on the EU's agencies. Rhetorical arguments from former Remain campaigners arguing for continued membership of everything on the basis of an ignorant electorate ought to be ignored. Likewise isolationists capitalising on the Leave momentum to block out all internationalism will only ever damage the UK. The only logical way for assessing continued collaboration is for every agency to be properly studied individually on the benefits and costs that it brings.

Moreover, this review gives us a major opportunity to rethink the elaborate network of UK executive agencies too. In many cases, this report advocates repatriating powers from EU institutions and restoring them to domestic bodies while retaining international links. However, in the UK's post-Brexit system of governance, ministers may find it more appropriate to bring certain powers back into the democratic process and allow a sovereign Parliament to devolve further, allowing the electorate to play the direct role of overseer and ultimate decision-maker in many areas that have for a long time been the domain of unaccountable technocrats.

We can thus conclude with seven recommended principles that might be applied to decision-makers as they reflect on the nature of the UK's future association with the bodies covered in this report.

### **The Seven Principles of Euroquango Review**

1. Association should default to the most minimalist level, unless a practical need for closer administrative cooperation is proven. What can be achieved by a phone call or monitoring a web site should be left at informal intergovernmental level.
2. Euroquangos constitute an enduring element of political risk, owing to the strategic objectives of the EU; and they are a long term distraction and complication for counterpart bodies that form part of the jigsaw of global entities. These latter should constitute the true focus for developing engagement.
3. Future associations should not encourage a monopoly on links held by one government department; nor generate a clique of civil servants orientated purely towards EU bloc bilateralism.
4. Priority should be given to generating liaison that pre-empts future technical barriers to trade, best confirmed by larger agreement at wider international level.
5. Funding of programmes should, taken collectively, be revenue neutral.
6. Cooperation should not include automatic obligations for the UK to legislate, which must be the preserve of Parliament, also developing better mechanisms for monitoring negotiations undertaken in international standards-setting fora such as UNECE.
7. While UK quangos may initially take over from Euroquangos as a default, change must not end there. An opportunity exists for significant reforms of the national system of quangos, with powers returning to more direct democratic supervision through ministers within departments, greater Parliamentary oversight, devolution to regional government level and beyond, and more direct legislative responsibility and accountability.

## Recommendations

	Model A	Model B	Model C
	<b>Leave the agency</b>	<b>Strategic association</b>	<b>Remain full member</b>
<b>Includes</b>	<ul style="list-style-type: none"> <li>• Authority for European Political Parties and European Political Foundations</li> <li>• Community Plant Variety Office (CVPO)</li> <li>• Consumers, Health, Agriculture and Food Executive Agency (Chafea)</li> <li>• Education, Audiovisual and Culture Executive Agency (EACEA)</li> <li>• European Agency for Safety and Health at Work (OSHA)</li> <li>• European Agency for the Operational Management of Large Scale IT systems in the Area of Freedom, Security and Justice (eu-LISA)</li> <li>• European Asylum Support Office (EASO)</li> <li>• European Anti-Fraud Office (OLAF)</li> <li>• European Border and Coast Guard Agency (Frontex)</li> <li>• European Central Bank (ECB)</li> <li>• European Centre for Disease Prevention and Control (ECDC)</li> <li>• European Centre for the Development of Vocational Training (CEDEFOP)</li> <li>• European Chemicals Agency (ECHA)</li> <li>• European Data Protection Supervisor (EDPS)</li> <li>• European Environment Agency (EEA)</li> <li>• European Food Safety Authority (EFSA)</li> <li>• European Foundation for the Improvement of Living and Working Conditions (EUROFOUND)</li> <li>• European Global Navigation Systems Agency (GSA)</li> <li>• European Institute for Gender Equality (EIGE)</li> <li>• European Institute for Security Studies (ISS)</li> <li>• European Institute of Innovation and Technology (EIT)</li> <li>• European Insurance and Occupational Pensions Authority (EIOPA)</li> <li>• European Investment Bank (EIB)</li> <li>• European Maritime Safety Agency (EMSA)</li> <li>• European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)</li> <li>• European Network and Information Security Agency (ENISA)</li> <li>• (Proposed) European Public Prosecutor's Office (EPPO)</li> <li>• European Research Council (ERC)</li> <li>• European Securities and Markets Authority (ESMA)</li> <li>• European Systemic Risk Board (ESRB)</li> <li>• European Training Foundation (ETF)</li> <li>• European Union Agency for Fundamental Rights (FRA)</li> <li>• European Union Agency for Railways (formerly European Railway Agency) (ERA)</li> <li>• European Union Intellectual Property Office (Formerly Office for Harmonization in the Internal Market) (EU IPO)</li> <li>• European Union Satellite Centre (SatCen)</li> <li>• Executive Agency for Small and Medium Sized Enterprises (EASME)</li> </ul>	<ul style="list-style-type: none"> <li>• Agency for the Cooperation of Energy Regulators (ACER)</li> <li>• Body of European Regulators of Electronic Communications (BEREC)</li> <li>• Community Fisheries Control Agency (CFCA)</li> <li>• European Aviation Safety Agency (EASA)</li> <li>• European Banking Authority (EBA)</li> <li>• European Defence Agency (EDA)</li> <li>• European Medicines Agency (EMA)</li> <li>• European Police Office (Europol)</li> </ul>	<ul style="list-style-type: none"> <li>• Fusion for Energy (European Joint Undertaking for ITER and the Development of Fusion Energy)</li> <li>• Joint European Torus (JET) (EUROfusion)</li> </ul>

	<ul style="list-style-type: none"> <li>• Innovation and Networks Executive Agency (INEA)</li> <li>• Research Executive Agency (REA)</li> <li>• Single Resolution Board (SRB)</li> <li>• The European Union Agency for Law Enforcement Training (CEPOL)</li> <li>• The European Union's Judicial Cooperation Unit (Eurojust)</li> <li>• Translation Centre for the Bodies of the European Union (CdT)</li> <li>• Euratom Supply Agency (ESA)</li> </ul>		
<b>Total Bodies</b>	43	8	2

