



European Commission NGO Funding
The need for scrutiny and accountability

Evaluating Impact
European Parliament
27 June 2017

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Stakeholder Dialogue

A Short History

2001 White Paper on Governance

- Commission seeks to restore legitimacy
- Stakeholder dialogue
- Age of engagement, openness, dialogue
- EU role in consensus building of multi-actors





Bringing actors together

Technology Platforms

- Intended to be multi-stakeholder platforms
- NGOs quickly pulled out – claimed time constraints, funding
- Did not want to be a mere validator

Energy	ICT	Bio-based economy	Production and processes	Transport
Biofuels	ARTEMIS	FABRE TP	ECTP	ACARE
SmartGrids	ENIAC	Food	ESTEP	ERRAC
TPWind	ISI	GAH	ETP SMR	ERTRAC
Photovoltaics	NetWorks	NanoMedicine	Manufuture	Waterborne
ZEP	NEM	Plants	FTC	ESTP
SNETP	NESSI	Forest-based	WSSTP	
RHC	EUROP		SusChem	
	EPoSS		EuMaT	
	Photonics21		IndustrialSafety	



Creating a Europe of Actors

European Civil Society Umbrella Groups

- Bring together small regional NGOs around a pot of EU funds
- An attempt to buy EU influence in MSs
- Managed by Brussels Bubble insiders





The Stakeholders have taken over the Asylum

NGOs move in, push other actors out

- Transparency Initiative
- Rejecting Industry Actors on EU bodies
- Consensus becomes deadlock – push for precautionary routes



Lessons from History What happened next?

- NGOs started to grow and set the EU agenda
- Funding shifted from small donors to trusts and foundations
- Anti-industry, anti-trade philosophy gained force
- Job creators, innovators no longer came to Brussels
- Public funding of NGOs became popular / populist
- Activists started moving into institutions, media
- Social media started to drive consumer choice, political decisions and social narratives
- Democratic decisions became less democratic



Friends of the Earth Europe A case study in unaccountability

Friends of the Earth Europe
for the people, for the planet, for the future

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Lobby transparency In depth Media News Reports & publications

Lobby transparency Transparency in lobbying is crucial to guard against undue influence of big business on the climate, environment, and food

Thousands of corporate lobbyists roam the corridors of power in Brussels, exercising undue and unclear influence on policy-making. Operating out of the spotlight, many of them do not hesitate to employ improper methods. Friends of the Earth Europe challenges the opaque nature of lobbying in Brussels, which enables corporate lobbyists to convince policy-makers to put profit before people and planet. We campaign for a mandatory lobby register, seek to expose deceptive lobbying practices, and use access to information requests to shed light into the darkness.

Commission européenne
Europese Commissie

ALTER-EU: Legal framework for a mandatory EU lobby register

More resources

- EU Worst lobby awards
- ALTER-EU
- Ask the EU campaign

Reports & publications



Was Friends of the Earth Open and Transparent?

LIFE+ NGO funding tool

- In 2014, FOEE claimed a total budget of €1.4M
- Requested €750K to fund 55% of operations
- Has received +/- €700K each year without any deliverables or scrutiny

Friends of the Earth Europe

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Magdalena Stockiewicz, Director

Duration of work programme:
01/01/2014 - 31/12/2014

Total budget in euro:
1,385,272.00

EC contribution in euro with %:
763,269.00 (55.00%)



FoEE Transparency Registry: 4.8M €2.6 M from 7 different EC DGs

Financial data

Financial year:	01/2014 - 12/2014				
Estimate of the annual costs related to activities covered by the register:	830,736 €				
Total budget:	4,830,196 €				
of which public financing:	3,050,338 €				
Most recent financial information about funding received from the EU institutions:	<table> <tr> <th>Procurement: €</th><th>Source:</th></tr> <tr> <td>Grants: 2,610,891 €</td><td> Source: DG Environment Operating Grant, DG Dev School of Sustainability, DG Enlargement Western Balkans, DG Dev Extractive Industries, DG Dev Financing Sustainability, DG AGRI CAP Project, IEE Energy Union </td></tr> </table>	Procurement: €	Source:	Grants: 2,610,891 €	Source: DG Environment Operating Grant, DG Dev School of Sustainability, DG Enlargement Western Balkans, DG Dev Extractive Industries, DG Dev Financing Sustainability, DG AGRI CAP Project, IEE Energy Union
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Is FOEE actually a Government Organisation?

€2.6 million from EC DGs
 €600K from governments
 €1.7 million from foundations
 €1,870 from public donors

Total 2014: €4.8 million
 From that: €3.2 million from
 government sources

- Dutch Government (DGIS) via Milieudefensie :	332,218 €
- German Ministry of the Environment :	63,705 €
- Dutch Gov (DIGIS) :	174,644 €
- Norwegian Ministry of Climate :	7,400 €
- Council of Europe (European Youth Foundation) :	36,124 €
from other sources:	1,779,858 €
- donations:	1,870 €
- contributions from members:	22,206 €



How many people work at FOEE with such a large budget?

Number of persons involved in the activities described in the box above

Number of persons involved from the organisation expressed in % of working time: 100%: 0 75%: 2 50%: 7 25%: 6

Number of persons involved: 15

Full time equivalent (FTE): 6.5

Complementary information: On behalf of Friends of the Earth Europe the persons listed below have had, during the reporting period, four or more contacts with members or officials of the EU institutions with the objective of influencing the policy formulation and decision-making processes of the European institutions; or they have spent 25 percent or more of their working time on behalf of Friends of the Earth Europe carrying out such activities:

- €4.8 million for 6.5 FTE (plus 8 interns) in 2014
- Salaries are spread across other NGOs (like ALTER-EU that has 4 FOEE + €25K in support)
- FOEE had 10 accredited passes to Europarl



Could 6.5 FTE spend €4.8M?

Of the total budget of 4,830,196€ Friends of the Earth Europe allocated 71,209€ to the reserve.

Of the remaining expenditure of 4,758,988€ Friends of the Earth Europe gave 1,722,489€ (36,2%) in subgrants to Friends of the Earth member groups and other partner organisations. More information about our funding, funding sources and expenses can be found on our website at <http://foeeurope.org/about/financial>.

- In 2014, FOEE received €1.7M from non-govts
- In 2014, FOEE gave €1.7M to undisclosed NGOs
- But who received this money? Transparency?



So who gets the FOEE surplus?

GMWatch gratefully acknowledges donations from individual supporters and funding from NGOs, charitable foundations, and trusts. In 2011 funders included Friends of the Earth Europe, Friends of the Earth UK, the Soil Association, and the Courtyard Trust. Between July 2011 and May 2012 a GMWatch editor received payment from the Institute of Responsible Technology (IRT) for editorial support to the IRT's newsletters. In 2012 and 2013 GMWatch received funding from the Isvara Foundation, Friends of the Earth Europe and the Courtyard Trust. In 2014 GMWatch received funding from Food Democracy Now!, the Isvara Foundation, and the Sheepdrove Trust. In 2015–2017 GMWatch received funding from Friends of the Earth Europe, the Sheepdrove Trust and the JMG Foundation.

- Technique of funding activist front groups to multiply the impression of public consensus
- Sharing of manpower/resources within the Mundo-B building (ALTER-EU, CEO, ...)
- Groups also share foundations: Isvara, Adessium, Open Society, Packard, Tides ...



What does FOEE offer in return to the European Taxpayer

- Campaigns to demand more transparency in industry lobbying
- Attacks on industry involvement in policy debates
- Anti-trade campaigns
- Fear-mongering and misinformation on EU risk management and trade policies



(Lack of) Notes to Case Study

- Had to use 2014 since LIFE+ has since become non-transparent on funding
(http://ec.europa.eu/environment/life/funding/ngos/documents/NGOs_funded_2016-2017.pdf ??? - FOEE is eligible for €1.4M)
- No idea what DG DEV School of Sustainability is. No information publicly available the DG Dev funding programmes



Democratic accountability and budgetary control of non-governmental organisations funded by the EU budget Markus Pieper MEP 11.2016

Transparency

15. Calls on the Commission to ask NGOs, in addition to meeting clear and uniform criteria governing their eligibility for EU funding, to fulfil certain minimum criteria; calls on the Commission to establish the legal basis for such minimum criteria, which should include: the requirement to disclose information about staff working at NGOs and their corresponding membership links, about details of involvement in and links between networks and the amounts of EU funding forwarded to other organisations, inclusion in the EU Transparency Register, the requirement to disclose information about funding arrangements and the main financial donors in particular and about the name of the organisations partly or fully co-funded by the EU, including precise information about the sums involved; calls for proposals to this effect to be submitted by 1 February 2018;



What is reasonable, what is fair with EU public money?

The Pieper Report is very reasonable

- That the Commission scrutinises all DG funding to NGOs centrally?
- That the Commission defines what an NGO is!
- That NGOs need to be accountable for public funds and present transparent finance reports?
- That NGOs are clear on staffing and cross (shadow) employment and amplification?



The Risk-Monger wish list

- That NGOs must adopt and follow ethical codes of conduct to be eligible for public funding
- That the EC must not fund organisations that act against strategic EU policy initiatives
- That the EC harmonise and scrutinise NGO funding across all of its DGs
- That we stop giving NGOs special treatment and that all stakeholders are allowed at the policy table (including industry)

Thank you

