

OUT-OF-THE-BOX SOLUTION FOR BREXIT: EMA AND EBA

In the wake of Brexit, the European Commission wants to find a new location for the European Agencies in London as soon as possible. At the same time, the European Parliament wishes to put an end to all those costly trips back and forth between Brussels and Strasbourg. The solution to both problems is actually very simple. All it requires is a little political creativity and 'out-of-the-box' thinking.

Due to Brexit it is only logical that people wish to find a new location for the European Medicines Agency (EMA) and the European Banking Authority (EBA), both currently located in London. Therefore, the topics discussed during the Brexit summit on 29 April 2017 not only included the Brexit negotiating mandate for the chief negotiator and former Commissioner, Michel Barnier, but also [the criteria](#) put forward by the European Commission President Juncker and the President of the European Council, Tusk, for the relocation of EMA and EBA.

CLARITY IS CRUCIAL

There is an urgent need to have clarity regarding the future location of both institutions as soon as possible. A few weeks ago, Guido Rasi, the executive director of EMA, warned of an impending exodus of highly specialised personnel if certainty regarding the new location of EMA was not provided soon. As this agency monitors the soundness and safety of all medicines on the European market, this loss of expertise could be very damaging for the EU. The same risk of brain drain also threatens the EBA. It goes without saying that firm supervision of financial institutions is beneficial to the stability of the entire EU.

However, there is reason to fear that the final decision will be the result of horse-trading between the 27 member states, all of whom wish to have a European agency on their territory and who therefore will not consider the relocation in a reasonable, cost-effective manner. As every crisis offers an opportunity, here is a solution: relocate both agencies to Strasbourg, a symbolic European city, where a prestigious building and infrastructure lies empty for three weeks out of four. This would save us hundreds of millions of Euros as it would mean that thousands of civil servants, members of parliament and their employees would no longer have to travel to Strasbourg once a month. There will be no need for France and the city of Strasbourg to lose income or face just because the travelling European circus no longer comes to town every month. On the contrary, everyone would win.

IF YOU THINK THAT THIS IDEA IS UNREALISTIC, HERE IS A SUMMARY OF THE FACTS.

The Medicines Agency is greatly sought-after. It has an annual budget of €322 million and 890 permanent expert staff members. It is backed up by an extensive network of 4000 national civil servants, regulators and scientists who have to meet several times a year in the Agency's buildings. Every year, 36,000 meetings are organised within the EMA. Every day 400 persons fly to EMA to prepare the necessary dossiers and decisions. Its staff is extremely diverse in terms of nationality: 6.63 % is British, 12.58 % French, 12.36% Italian, 10.67% Spanish and 6.4% German.

EMA's future location must have sufficient hotel accommodation (at least 350 hotel rooms per night, 5 days per week), good health-care facilities, schools and infrastructure and a pleasant living environment. Strasbourg meets all these criteria.

Unfortunately, when EMA entered into a rental contract for the building they are currently using in London in 2011, its negotiators made the mistake of not stipulating a notice period if they were to vacate the premises prematurely. This means that for years to come, European tax payers will have to pay another €347.60 million for renting the building in London. When extra charges are included, this sum may even increase to €400 million.

ONE SEAT

There is a strong desire within the European Parliament to finally bring an end to the monthly move between Brussels and Strasbourg. It wastes time, incurs a great many additional costs and

necessitates an amount of travel that is neither beneficial to the climate nor to one's family life. It is also one of the symbolic cases that has been giving the European Union a bad image for years. On Thursday 27 April 2017, the plenary meeting of the EP once more voted to have "a single seat". 425 EP members voted for, 141 against and 78 abstained. A comfortable majority was therefore in favour.

Many European citizens are asking - and justifiably so – for an end to be made to this travelling circus, especially when they learn that spreading meetings of the European Parliament across different regions costs €114 million every year (according to the most recent data from the EP's Discharge Resolution, voted on 27 April 2017).

Up until now, there has been no change to this situation because France does not want any amendment to be made to the treaty. The Treaty on European Union obliges the EP to organise 12 annual plenary sessions in Strasbourg. The French state has vetoed any change to this location at every Treaty Amendment. The official rhetoric is that Strasbourg is the capital of Alsace, a region that has been passed back and forth France and Germany for centuries.

Therefore, Strasbourg is now a symbol of peace in Europe. But the real reason is, of course, money. The monthly visits to the EP of 751 members of parliament, their employees, parliament officials, journalists and lobbyists are pretty profitable for both the city and the region. It is only logical that Strasbourg is reluctant to lose this source of income. Therefore any proposal to break through this French blockade must also have positive social and economic effects for the city of Strasbourg and surrounding region.

THINK OUT OF THE BOX!

If the heads of states and government leaders of Europe would dare, just for a little while, to think "out of the box" they would connect the relocation of EMA and EBA to the choice of just one seat for the EP.

EMA and the Banking Authority could use the EP buildings in Strasbourg. Each could have a building, one on either side of the river. Both buildings have enough offices for their permanent employees. There are more than enough meeting rooms and there is no need to incur any quasi or extra costs. If we establish the agencies in other cities, it will probably be necessary to find new buildings for them and this will be extremely expensive.

Limiting EP sessions to Brussels and Luxembourg this would slash the costs of holding the EP in different geographical locations. The costs incurred by having to continue paying rent on the EMA building in London (€400 million) would be recovered in less than 4 years, after which the savings made by this would be net profit. Or even sooner, if Mr Barnier can come to a gentleman's agreement with the British prime minister.

Strasbourg has excellent hotel accommodation and international schools because it is home to the Council of Europe and the European Court of Human Rights. If both EU institutions are relocated there, it will be able to retain a strong international allure. Locating both agencies in Strasbourg would also ensure enough revenue for the hospitality industry (not for just 3 evenings per month as is now the case with the EP, but 5 days a week, 4 weeks per month).

I am convinced that we currently have a unique and historical opportunity to give European citizens a clear signal that European leaders can handle the financial resources of European tax payers efficiently and wisely. Relocating EMA and EBA to Strasbourg and housing the EP in Brussels demonstrates common sense and a willingness to cut costs without jeopardising Strasbourg's socio-economic position.

As an additional benefit, this advice is entirely free and can be implemented this year! There really is no reason not to act.

Bart Staes