

Background Paper

Saving tax-payers money - New opportunities for Strasbourg and the surrounding region

A proposal for the relocation of the European Medicines Agency in the most profitable way for European citizens

More and more people have expressed their resentment that the European Parliament is moving for a four-day-trips to Strasbourg monthly. For the remainder of time the European Parliament's work is done in Brussels, in order to facilitate the collaboration with other European institutions, such as the European Commission. Nearly every visitor and many citizens from the respective constituencies confront the MEPs with the disproportionality of the organisational and financial effort. The **travelling circus costs**, according to first estimates that are shared by Strasbourg supporters, are approximately 114 million euros per year. Others even name **sums of up to 200 million euros**. The maintenance of two buildings and traveling back and forth generates CO₂-emissions of 11.000 to 19.000 tons per year. This meets the CO₂ emissions of an average household for 1462 years or of a car, built in 2016, orbiting the earth 4014 times. Since the MEPs travel to their constituencies anyways on weekends in order to take part in different events, it could be argued that it does not necessarily matter whether they travel to Brussels or Strasbourg on Mondays. However, it is not only MEPs that are travelling. Working time and financial assets are unnecessarily spent through assistants that are traveling back and forth, as well as interpreters and representatives from other institutions. Furthermore, many problems have occurred repeatedly due to the irregular usage of the buildings. For example, there have been many problems with the water supply in the Strasbourg buildings or the air conditioning due to legionella bacteria, popular to occur in water systems where circulation is infrequent. Consequentially, there is a growing amount of MEPs that opt for a single seat of the European Parliament in Brussels.

A solution is only possible in a fair dialogue with France

France, an important partner of the European Union, places high importance on the European Parliament's sessions in Strasbourg, politically and economically. In respect to France, we should look for a viable solution in constant dialogue with the French government. This point is especially crucial, as the abolition of sessions in Strasbourg requires an amendment of the Treaty, which is only possible through a unanimous resolution of all Member States and a subsequent ratification through national parliaments. This situation creates an urgent necessity for constructive proposals that accommodate the people of Strasbourg and its surrounding regions. Not only should we strive to compensate potential economic losses, but we should also offer Strasbourg new chances to develop. Of course, the institutions that are situated permanently in Strasbourg; the Council of Europe, the European Court of Human Rights and the European Ombudsman, should stay in Strasbourg.

Relocation of the European Medicines Agency as an opportunity

Great Britain's decision to leave the European Union has created a new and unique opportunity to relocate a long established and renowned European Agency and its staff. There have been many discussions how to offer Strasbourg as a perspective location. Up until now, all of the perspective locations had a very theoretical character, since the debate only centred around institutions that were to be newly created. Consequentially, possible advantages could hardly be estimated.

The European Medicines Agency has existed since 1995, and has been situated in London ever since. The EMA is responsible for a major share of the approval of pharmaceutical products, especially the innovative ones. From the industry's, patient's and the patient's perspective, the EMA is a huge success. It benefits centrally from experts' knowledge, who are permanently with EMA, however, it also makes use of national authorities' expertise decentrally. Its budget is mainly financed through fees from services rendered to pharmaceutical companies and not through taxpayers' money. The companies pay these fees for the approval process of their products.

EMA ensures permanent and sustainable benefits

It is interesting to see that even though the EMA is situated in London, France has the highest share in staff. **Almost 900 staff work permanently at the EMA**, plus around 95 local contractors for security, cleaning and caretaking.

In comparison, there is only a small number of people working in the European Parliament in Strasbourg permanently, mainly security staff. **36.000 experts visit the EMA each year**. This could compensate for a big share of hotel nights that would not be booked anymore in a consequence of the cancellation of plenary sessions in Strasbourg. Subsequently, another advantage for Strasbourg would be an even distribution of booked hotel rooms, instead of only three nights per month, (some guests even only visit the parliament for one night). The demand for hotel rooms peaks from Tuesday to Wednesday night in plenary weeks. From Monday to Tuesday and Wednesday to Thursday the demand for hotel rooms diminishes severely already.

Bluntly formulated, it can be said that on Tuesdays and Wednesdays of plenary weeks, the hotels are fully booked, restaurants are overcrowded and one can hardly find a

taxi. However, for the rest of the month many hotel rooms, restaurants and taxis are empty. Relocating a permanent institution could eliminate this problem.

Strasbourg offers excellent preconditions for EMA

Strasbourg offers many advantages for the EMA's relocation - a building with sufficient capacities and a sufficient amount of interpreter's booths that are also necessary for EMA's sessions. Furthermore, Strasbourg and its surroundings offer an environment with numerous medical experts, such as the high-performing medical faculty of Strasbourg University, a pharmaceutical faculty, and different research institutions such as Cancéropole du Grand-Est and INSERM, the National Institute of Health and Medical Research. The result of the fusion of existing institutions and pharmaceutical companies such as ALYATEC, AXILUM ROBOTICS, and the Sanofi Research Division are only a number of additional advantages. A part of the **Council of Europe** is the **European Directorate for the Quality of Medicines and HealthCare (EDQM), located in Strasbourg**. The EDQM is composed of 240 specialists with backgrounds in chemistry, bio-chemistry, pharmaceuticals, biology, medicine, medical technology and administration. Its task is the performance of quality tests on the substances used in medications in its own labs. Additionally the EDQM coordinates a network of 80 certified national research facilities and their joint programmes. EDQM's purpose is to create and update the European Pharmacopoeia. Parties to this particular convention are not only Council of Europe member states, but also the European Union (EU). Moreover, a number of non-European states, national authorities and Intergovernmental Organisations like, for example, the World Health Organisation (WHO), are also interested in a cooperation within the framework of the European Pharmacopoeia and have, therefore, become observers. All medicines manufactured and or sold in Europe are subject to strict standards concerning composition, production and quality. These standards ensure that – for example – an Aspirin contains the same amount of the same substances in the same quality everywhere in Europe. A collection of these pharmaceutical standards is called Pharmacopoeia.

EMA's surroundings offer fruitful soil for the establishment of companies that assist the industry in posing applications, such as law firms and similar companies. Estimations says that around a thousand of such companies have set up an office in London linked to EMA activities. On top of that, other pharmaceutical companies might be attracted by the EMA. Since Strasbourg is already an international city, as it provides already for international schools and other institutions, services that are needed when an international institution is newly situated are already there. This is due to the presence of the Council of Europe, the European Court of Human Rights and the European Ombudsman, which should of course stay in Strasbourg.

Problems and Opportunities: Every Member State wants EMA

The number of cities and regions that applied for hosting the EMA is high. Some cities and regions already have ensured that they have their national government's support and also their MEP's supporting forces behind them. Next to official applications submitted by Member States for Vienna, Bonn, Copenhagen, Barcelona, Lille, Helsinki, Athens, Dublin, Milan, Amsterdam, Warsaw, Lisbon, Bucharest, Bratislava and Stockholm there are, according to information at hand, many more applicants. Ranging from Valletta (Malta) to Brussels, Budapest, Malaga, Nice, Lyon, Montpellier,

Berlin, Munich, Frankfurt, Hamburg, Hanover and also the German province of Mecklenburg-Vorpommern, the list of cities and regions seems endless. Consequentially, this leads to reserved reactions towards this innovative proposal. However, everyone supporting another city than Strasbourg should be conscious of the fact that chances of getting the EMA is 1:35 since there are about 35 cities applying. The amount of interested parties underlines the attractiveness of becoming the EMA's new host. This is exactly the reason why this offer should be attractive for Strasbourg and France as well. Strasbourg has made a well-elaborated application for the EMA and is strongly interested in hosting this agency, of course for the moment on top of hosting the European Parliament. However, it is clear that the agency is very important for many people in Strasbourg.

The European Parliament has already issued its positive reaction to this proposal in a resolution about the Parliament's budget on April 27th, 2017 (see below). In my opinion, it is necessary to enter into a **dialogue with the new French government**. Hosting the EMA should be the first and substantially most important offer for Strasbourg's further development. However, we also have to be open towards **additional proposals**, as there are a variety of options. The European Parliament could continue to meet in Strasbourg, but only once per year, in order to underline the significance of Strasbourg as a European city and to foster the dialogue between the Council of Europe and the Parliament. The European Council could convene for a few sessions in Strasbourg.

Given the decision that Europe will be much more active in the **area of military cooperation**, the necessary structures can also **be situated in Strasbourg** because Strasbourg is not only a strong area when it comes to pharmaceuticals but also military has a strong position in the town. Since Europe is planning to further engage in military cooperation the required structures for this could be located in Strasbourg as well. The Council has just taken the decision to establish the military planning and conduct capability (MPCC) which could be one possible institution that could be situated in Strasbourg (see for example: Council conclusions on Security and Defence in the context of the EU Global Strategy - 18. Mai 2017).

A part of the money that is used every year to finance the travelling circus could be reallocated in favour of the city of Strasbourg, and provisionally for the establishment of new institutions.

Conclusion

The travelling circus between Brussels and Strasbourg has evoked increasing resentment. Especially in times like these, where the European Union already has a problem concerning acceptance, we have to strive for a solution. Setting out to find a solution requires common action and overcoming national egoism while putting the European citizen and our common cause first. Due to the new pro-European government and the possibility to make an attractive offer to Strasbourg and France there is unique opportunity.

Attachment:

European Parliament decision of 27 April 2017 on discharge in respect of the implementation of the general budget of the European Union for the financial year 2015, Section I – European Parliament (2016/2152(DEC)): (425 Yes - 141 No - 75 per Cent approval)

*31. Acknowledges that, according to the Court, the costs of the geographic dispersion of Parliament amount to EUR 114 million per year and notes the finding, in its resolution of 20 November 2013 on the location of the seats of the European Union's Institutions, that 78 % of all missions by Parliament staff coming under the Staff Regulations arise as a direct result of the fact that Parliament's services are geographically dispersed; recalls that the estimate of the environmental impact of that dispersal is between 11 000 to 19 000 tonnes of CO2 emissions; calls on the Bureau to request the Secretary-General to develop, without delay, a roadmap for a single seat for Parliament; reiterates its call on Parliament and the Council to address, in order to create long-term savings, the need for a roadmap for a single seat, as stated by Parliament in several previous resolutions; **believes that the withdrawal of the UK and the need to reallocate the European Agencies which currently have their seats in the UK could provide an excellent opportunity to solve several issues in the same time**; points however to Article 341 TFEU which establishes that the seats of the institutions of the Union shall be determined by common accord of the governments of the Member States and Protocol 6 annexed to the TEU and the TFEU which lays down that Parliament shall have its seat in Strasbourg; recalls that a single-seat solution requires Treaty change;*