When the EU Agencies Network presented the work of its members at the end of 2016, its chairman at the time, Antonio Campinos, of the European Union Intellectual Property Office, admitted that some agencies are "largely unknown even at EU institutional level". But two of the 45 bodies that are members of the network have inevitably seen rising fame in recent months: the European Medicines Agency (EMA) and the European Banking Authority (EBA).

With the UK exiting the EU, these two London-based agencies need a new home. Many EU member states have raised their hands and expressed interest. This has resulted in a beauty pageant, where 23 cities compete to host one, or even both agencies.

The process provides an interesting occasion for cities to highlight the qualities they think will convince people of moving there - even though the final decision for the future home of the EMA and EBA, expected to be taken in November, is ultimately one of political haggling.

In this edition of EUobserver’s Regions & Cities magazine, we take a closer look at some of the EU agencies, exploring how their location matters and the benefits for cities and regions to host them.

How will London fare without the EMA and EBA? What was the socio-economic impact of the EUIPO in the region of Valencia? What compromises did Poland make to become the host of the rapidly growing migration agency Frontex? How did cities and regions position themselves in their bid for two of the most high-profile agencies?

Read on to find out!
The relocation of the EMA and the EBA after Brexit will leave a hole that will need to be filled, but opinion is divided among local business people as to whether the agencies will be missed.

By Sebastien Ash

The European Medicines Agency (EMA) has a nondescript presence on Canary Wharf, London’s international finance hub. The mid-size tower it shares with accounting firm EY (formerly Ernst & Young) sits at one extreme of the cluster in the Docklands east of the city centre. The logo near the top of the building, a sort of sphere within a bowl, can be spotted from a distance, but at street-level only the flags of the member states in the lobby mark it out.

The other London-based EU agency, the European Banking Authority (EBA), is harder to find without knowing where to look. The authority’s 150 or so employees work on the 46th floor of the tower at One Canada Square, Canary Wharf’s most recognisable structure with a silver obelisk at the very centre.

A former chair of the EU Agencies Network and head of the EU Intellectual Property Office, Antonio Campinos, has called the EU agencies “the familiar face of the EU for many Europeans”.

Within Canary Wharf, the EMA and EBA form a part of the ecosystem of government bodies, corporate offices, banks and bars.

Photo: Davide D’Amico
but to many Londoners, the presence of the two EU agencies is entirely unknown.

A Brazilian employee at an Italian restaurant in the shadow of the EMA’s building, for example, was unaware of what its occupants do until this was pointed out to him during a conversation with EUobserver. Many of the people approached for this article, including him, did not want to give their name because they were not allowed by their employers to speak to the press on the record.

The imminent departure of the EU agencies - due to Brexit - is not a subject of concern amongst the restaurant’s staff. “No one has any problems. No one comments badly about it,” he said.

To the bid teams competing for the EMA and the EBA after they are forced to leave London, the benefits of hosting an EU agency are, however, palpable and significant.

**HOTEL BOOKINGS**

Within Canary Wharf, the EMA and EBA form a part of the ecosystem of government bodies, corporate offices, banks and bars.

Much has worrily been written about the loss of business due to the departure of the EMA. On top of its 800 or so employees, the agency draws in around 36,000 visitors a year for meetings.
and conferences. Securing the relocation of an agency could be a boon for any future host city. "[Their departure] will be felt," said the manager of a hotel in Canary Wharf, who did not want to share her name. "Depending on who moves into the building, we don't know if they will generate the same number of travellers."

Without specifying the exact amount, she said the hotel received "a significant number of bookings directly from the EMA", adding that a number of other EMA visitors book privately and are therefore harder to track.

REGULAR CUSTOMERS

Liga, the manager of a bar-restaurant opposite the EMA, likewise highlighted the importance of this traffic for the business. The restaurant survives on the business created by people working in the buildings around it.

She pointed at two people sitting by a window in the restaurant, deep in conversation. "These two guys, they are from Switzerland," she said. "They work in the drug industry so they come here all the time. They are coming once a month and staying for like a week, and they are becoming our regular customers because it's just across..."
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the road and we are providing them with a good lunch."

Liga is not, however, overly concerned about the departure of the EMA. "They are important, obviously every guest is important, but it's not like our restaurant is open just because of them," she said. "I think, at the moment, [those that] bring us the most money [are] Barclays, EY and State Street," she said, referring to the bank, the accounting firm, and the financial services company located next to the EMA. She explained guests revealed their employer through their email addresses when booking.

The hotel manager said she was optimistic, despite Brexit and the departure of the EMA and EBA. "The concern is that the departure of the EMA will come very suddenly. If your potential clients go, you have to think about where you are getting new ones from. But people will still come to Canary Wharf." She noted that a new underground line would improve connections to the area, making Canary Wharf, where rents are relatively low compared to central London, even more attractive to companies. "I'm still positive," she added.

ROBOTS DON'T NEED HAIRCUTS
Others say they won't feel their departure at all. Alex Can manages a barber shop in one of the retail spaces closest to the EMA. "I can tell you now that not even one percent of my customers come from there, most of them are from the banks and the corporates," he said. "People from Barclays and the other banks have introduced themselves and told us what they do. Nobody from there has introduced themselves to me."

"When I walk out of here and go to the station, I walk in front of the EMA. Usually you would smile at people - they're like robots. Like 800 ghosts in that place."

While even 800 or more 'ghosts' cannot disappear unnoticed from Canary Wharf, their role should not be exaggerated. Concerns about Brexit are real, and the 'grumblings' of the corporates are heard but, ultimately, the EMA and the EBA are two among many in the dense centre of London's professional world.
EU agencies expert Ellen Vos thinks 'a lot of politics' will be involved in the decision on the new location for EMA and EBA, but noted it is important that accessibility is taken into account.

By Peter Teyler

Twenty-one member states are eager to host one or both EU agencies that will be forced to leave London after Brexit. But according to Ellen Vos, professor of European Union law at Maastricht University, there is little evidence-based rationale behind that scramble.

"Member states think it is lucrative to host an agency," she told EUobserver in an interview in her office in the Dutch city of Maastricht. "It is often said that hosting an EU agency leads to economic benefits for the host country, but as far as I know there has never been any scientific research that proved that hypothesis."

However, hosting an agency does bring prestige, "it puts your country on the map," she said.

Vos is an expert on EU agencies, and leading project partner of an international academic research network that focuses on them. In a recent call for papers, the network had to refuse a number of people, which Vos said shows "how surprisingly much scientific interest there is in this issue of EU agencies."

AGENCIFICATION
The research community speaks of "agencification", a process whereby more and more executive power is transferred to bodies not located in Brussels. "Sometimes member states prefer setting up an agency because of a mistrust towards the European Commission and Europeanisation," said Vos. "If powers are delegated to an agency, an advantage for member states is that the management board of the agency often consists of representatives of member states."

The more than forty agencies and so-called joint
undertakings are largely unknown to the general public, she said.

However, Vos questioned whether agencies should exert much effort in trying to show their work to citizens and "form a dialogue" with them. "I'm sure agencies want to, but should they?"

She called on agencies to be realistic. "You can only spend your budget once. Maybe the European Union as a whole can take up that task, but should each individual agency be responsible for a communication strategy? I haven't made up my mind yet about that, but I doubt it."

Vos added that she thought the news reports about the forced relocation of the European Medicines Agency (EMA) and European Banking Authority (EBA) will lead to a greater citizens' awareness of agencies.

The professor praised the EU institutions' publication of a set of objective criteria to help determine the new seats of the EMA and EBA as "a big step forward".

GEOGRAPHICAL SPREAD

The six criteria are: completion of new office by the date of Brexit, accessibility of the location, presence of international schools, job opportunities for spouses, business continuity, and "geographical spread". The last one refers to past promises that agencies should be divided between member states as much as possible, particularly in those that do not host agencies yet.

"In recent years, the geographical distribution has been a guiding principle," Vos said. "I don't think it will be anymore, nor should it. I think we should determine where an agency can best fulfil its tasks, and accessibility plays an important part."

She adds: "If you host the European Medicines Agency in a place that is difficult to reach, not only experts but also patient organisations with smaller budgets will perhaps have trouble visiting."

The EU commission is expected to publish an assessment of the bids - based on the criteria - by the end of September, after this magazine is printed. Member states will discuss the assessment in October and are due to vote on the relocation in November.

However, Vos noted that "in the end" objective criteria alone will not determine the new EBA and EMA seats, but instead, "a lot of politics and strategic interests will be involved."

The European Agency for Safety and Health at Work, based in Bilbao, annually presents its work to citizens on Europe Day.
AGENCIES AND THEIR (re)LOCATION

The European Union has dozens of agencies that are not located in Brussels. This map shows their locations and sizes. The 38 agencies are numerically ordered on the left side; each number corresponds with a numbered bubble. Next to each bubble is a snapshot of the agency’s 2015 budget, the year it was established, and the number of staff. Cities that have submitted a bid to host the EMA or EBA after Brexit are noted by coloured dots. The dots are not indicative of the precise geographical location of a city. Infographic: Peter Teffer & Tobias Andreasen / Map: Google / Source: EU Agencies Network

1. Acer
   Energy regulators
   Slovenia

2. BEREC Office
   Telecommunications
   Latvia

3. Cdt
   Translation for EU
   Luxembourg

4. Cedefop
   Vocational training
   Greece

5. CEPO
   Law enforcement training
   Hungary

6. CPVO
   Plant variety
   France

7. EASA
   Aviation safety
   Germany

8. EASO
   Asylum support
   Malta

9. EBA
   Banking
   UK

10. ECDC
    Disease prevention
    Sweden

11. ECHA
    Chemicals
    Finland

12. EEA
    Environment
    Denmark

13. EFCA
    Fisheries control
    Spain

14. EFSA
    Food safety
    Italy

15. EIGE
    Gender equality
    Lithuania

16. EIOPA
    Insurance & occupational pensions
    Germany

17. EIT
    Innovation & technology
    Hungary

18. EMA
    Medicines
    UK

19. EMCDDA
    Drugs & drug addiction
    Portugal

20. EMSA
    Maritime safety
    Portugal

21. ENISA
    Cybersecurity
    Greece

22. ERA
    Railways
    France

23. ESMA
    Securities & markets
    France

24. ETF
    Human capital, training
    Italy

25. EUIPO
    Intellectual property
    Spain

26. EUISS
    Security studies
    France

27. eu-LISA
    ICT, migration, visas
    Estonia

28. EU-OSHA
    Health & safety at work
    Spain

29. Eurofound
    Living & working conditions
    Ireland

30. Europol
    Police
    Netherlands

31. Eurojust
    Judicial cooperation
    Netherlands

32. F4E
    Fusion energy R&D, ITER
    Spain

33. FRA
    Fundamental rights
    Austria

34. Frontex
    Border and coast guard
    Poland

35. GSA
    Satnav, EGNOS and Galileo
    Czech Republic

36. SatCen
    Geospatial intel
    Spain

37. EDA
    Defence
    Belgium

38. SRB
    Banking
    Belgium

Cities offering to host the European Medicines Agency (EMA)
Amsterdam
Athens
Barcelona
Bonn
Bratislava
Bucharest
Copenhagen
Helsinki
Lille
Malta
Milan
Porto
Sofia
Stockholm
Zagreb

Cities offering to host the European Banking Authority (EBA)
Frankfurt
Luxembourg
Paris
Prague

Cities offering to host both
Brussels
Dublin
Vienna
Warsaw
The scramble among member states to host EU agencies is a feature of European integration that dates back to the founding of the first decentralised bodies.

A dive into the archives shows that time and again, political deal-making, not logic or objective criteria, is the decisive factor for determining the seat of an EU agency.

The notion that agencies should be equally divided among member states was already applied early on, when the first agency of the European Communities was set up - the European Centre for the Development of Vocational Training (Cedefop). It was established in 1975, when the European Communities had nine members.

Months before the decision was made, Dutch regional newspaper Limburgsch Dagblad actively campaigned for Cedefop to be based in Limburg, the south-eastern province of the Netherlands, after quoting civil servants from the region who said that the Dutch government had not made any attempt to attract a European institution. In an editorial, the newspaper argued that hosting Cedefop may help tackle the province’s economic situation - since at that time, it was facing the closure of its coal mines.

Despite the Dutch government’s bid, West Berlin - which at the time was geographically isolated because of the Cold War - was awarded the agency seat.

"Beautiful opportunity lost because of [Dutch] government's attitude", the disappointed newspaper Limburgsch Dagblad headlined.

A few months later, the Netherlands missed out on hosting another agency, the European Foundation for the Improvement of Living and Working Conditions, which ended up in Dublin.

BEHIND CLOSED DOORS

The next agency to be established was the European Environment Agency (EEA), in May 1990. The European Commission had left the decision on the EEA’s location to the Council of the EU, where member states meet, something MEPs criticised a month later.

British Labour MEP Ken Collins said the Commission should have proposed a seat, instead of "leaving it all to the Council to make a deal … on the basis of the kind of deals the Council of Ministers get up to behind closed doors when they have had their second cognac.”

His compatriot MEP Caroline Jackson, a Conservative, said the agency should be in Brussels. "Would the United States suddenly
decide to put the United States Environmental Protection Agency in Nebraska and the Food and Drugs Agency in San Francisco? Of course they would not, they are both in Washington."

MEPs adopted a text that called for the seat of the EEA to be decided "without delay", but they had to urge the member states twice more in strongly worded texts to hurry up, with centre-left Danish MEP Kirsten Jensen in 1992 blaming the "ludicrous" situation, in part, on "French blackmail".

France was among the countries blocking a decision because it wanted the Strasbourg seat of the European Parliament to be solidified first, which was not confirmed until December 1992.

It would not be until December 1993 that government leaders were able to agree on the location of the EEA, partly due to the fact that, in the meantime, additional agencies had been proposed or set up. With nine agencies and institutes to distribute, the task became somewhat easier.

But not all offices were held in equally high regard. The European Monetary Institute, the predecessor of the European Central Bank, was seen as the top prize. It went to Frankfurt.

The then Spanish prime minister, Felipe Gonzalez, was reportedly not satisfied with only hosting the Office for Harmonisation in the Internal Market,
which deals with trademarks, so also clinched the seat of the Agency for Health and Safety at Work. The EEA eventually went to Copenhagen.

POLITICAL GAMES AND DECEIT
The mega deal also involved the relocation of the Cedefop from Berlin to Thessaloniki, in Greece, something that was criticised by the agency's director, Ernst Piehl. "We have not been informed beforehand. ... To the contrary: we have even been deceived," the Berliner Zeitung newspaper quoted him as saying in its 15 November 1993 edition. Piehl would leave the agency within a year.

It was also a sensitive trade, so soon after the reunification of West and East Germany. Alexander Longolius, centre-left member of the state parliament of Berlin, said the desire to place the European Central Bank in the western part of Germany led to a "sacrifice of the anchoring of the European idea in eastern Germany".

Problems continued to arise when a seat for a new agency was needed.

According to Merijn Chamon of the Ghent European Law Institute, it was common in the 1990s that the decision on an agency's location was only dealt with after the agency had been established. He wrote in his book - EU Agencies: Legal and Political Limits to the Transformation of the EU Administration - that sometimes "the agency was provisionally located in Brussels, which hampered its functioning since it could not provide certainty to its (potential) functionaries on their actual place of work."

Spanish prime minister Felipe Gonzalez, seen here in 1989 with German chancellor Helmut Kohl, did not want to accept hosting only the Office for Harmonization in the Internal Market, and managed to also secure the seat of the Agency for Health and Safety.
For example, when the European Commission proposed a Community Plant Variety Office (CVPO) in August 1990, the seat of the office was left open. The Council established the office in July 1994, but it wasn't until more than two years later that foreign affairs ministers decided the seat should be in Angers, France.

The CVPO had already started its work in Brussels, and the relocation to Angers "was not done in a day", its annual report published in 1997 said. The report noted that one of the challenges was "keeping the staff and their families informed and motivated to make the move".

**THE FINNS DON'T KNOW WHAT PROSCIUTTO IS**

The most colourful account of how an agency seat was decided came after an EU summit in Laeken in December 2001. Reuters news agency quoted from a verbatim record, and saw then Italian prime minister Silvio Berlusconi clash with Belgian colleague Guy Verhofstadt, who was chairing the meeting, over the location of the European Food Safety Authority (Efsa). At that time, the Finnish capital of Helsinki was proposed.

"Parma is synonymous with good cuisine. The Finns don't even know what prosciutto is. I cannot accept this," Berlusconi reportedly said in reaction. "The gastronomic attraction of a region is no argument for the allocation of an EU agency," replied Verhofstadt. German chancellor Gerhard Schroeder added: "I love Parma, but you'll never get it if you argue like that."

But Berlusconi proved Schroeder wrong.

Two years later, at a summit in Brussels - chaired this time by the Italian media mogul himself - the fifteen government leaders decided that Efsa
Nine EU agencies and institutes were originally divided among member states at an EU summit in December 1993.

Photo: o o sso

Nine EU agencies and institutes were originally divided among member states at an EU summit in December 1993.

Photo: o o sso

should be based in Parma. Helsinki got the seat of the European Chemicals Agency, and another seven already-established or proposed agencies were distributed.

PRIORITY FOR NEW MEMBER STATES

The distribution of agencies among existing EU members was concluded some months before ten Central and Eastern European countries would join the EU, but the government leaders wrote in a declaration that for future hosting decisions of agencies, "priority" should be given to new member states.

That worked for several years, with new agencies being located in Poland, Hungary, Malta, the Baltic states, and Slovenia.

In July 2008, EU leaders confirmed their commitment in another declaration, saying: "Seats of future offices or agencies should be primarily located in the member states that acceded to the Union in or after 2004, while appropriate priority should be given to the member states that do not already host an EU office or agency."

But just three years later, that promise was broken. As part of the EU’s attempt to prevent future banking crises, three financial agencies
were set up, including the European Banking Authority (EBA). The three were divided amongst the big three EU member states: Germany, France, and the UK. The EBA was to succeed the already existing London-based Committee of European Banking Supervisors.

Initially, the EU parliament wanted the EBA to be located in Germany, near the Frankfurt-based European Central Bank. But then UK finance minister George Osborne managed to convince his peers and achieved, in the words of the UK newspaper, the Telegraph, an “EU victory” by keeping the EBA in London.

But five years later, in 2016, British citizens voted to leave the EU, leaving the EBA up for grabs again.
Cities united by love of good food

Cooperation between cities can build healthier communities and help kick-start the local economy.

Overlooking the rolling countryside just nine miles from Barcelona, Mollet del Valles, a city in Spain of 53,000 people, always had a tradition of eating well and protecting the land. But there was never a city-wide food policy linking producers and consumers.

That was until 2013, in the midst of economic crisis, when the city hall set up an International Relations Department to look for innovative ideas on public services and networking opportunities through EU programmes.

They discovered the URBACT programme. URBACT enables cities to work together in networks, exchange good practices and develop policies to respond to their challenges.

Sodertalje in Sweden - leading an URBACT city network called 'Diet for a Green Planet' - was seeking partners just like Mollet del Valles to transfer their existing good practices. Sodertalje, with 95,000 inhabitants, has a reputation for promoting sustainable local farming as a solution for feeding people while reducing agricultural pollution.

Unlike Spain, Sweden has a national law that puts municipalities in charge of public canteens. Sodertalje's municipal ‘Diet Policy’ employs 250 people - including cooks - and buys food directly from producers. Providing 24,000 free school meals a day, the city has reduced meat consumption by 30 percent since 2010, and reduced leftovers by up to 40 percent. About 60 percent of Sodertalje's schools are supplied with local, seasonal, organic food.

INNOVATIVE URBAN POLICIES

Thanks to EU programmes like URBACT, the story of how Mollet set out to adopt and adopt Sodertalje's approach is one that spotlights how innovative urban policies can travel quickly and have an impact across borders.

In Mollet, where the task of supplying and running public canteens is outsourced to private companies, this central approach to food was unheard of.

"The municipality wanted to create markets for local food, as foreseen in the city strategy for 2025, but the public canteens had never been seen as a solution for agri-urban growth. Yet, we have this fantastic agro-ecological park of 734 hectares, Gallecs, making up 50 percent of our territory, a culture of enjoying good food, and a climate for growing tasty produce year round," Garcia said.

As required by URBACT, Mollet set up a local multi-stakeholder group - composed of elected officials, school principals, cooks and farmers - to explore how they would transfer Sodertalje’s Diet Policy into their community.

One of the first actions of this local group, just after their visit to Sweden, was to carry out a quality audit of the food served in public canteens.

The results were two-sided: while children and parents seemed happy with the quality and taste, the audit revealed that much of the food that children were eating had been frozen, pre-prepared and brought in from far-off places. Some asked: "Why change the system if
people are happy and we don't have any complaints?" But Sodertalje’s inspiring results, the prospects of local economic growth and a healthier way of living in Mollet pushed the council forward to reform.

**DIET FOR A GREEN PLANET**

Following local meetings and discussions in Sodertalje and in Mollet, the city introduced a new public procurement system based on quality rather than price, transforming supply and enabling hundreds of children to eat food from nearby farms - but without increasing prices for families.

This new public procurement system was drawn up in 2014 based on Sodertalje’s ‘Diet for a Green Planet’ principles - tasty and healthy food, organically grown, less meat, more vegetables and wholegrain, seasonal food, locally produced, and reduced food waste.

Rather than choosing companies on price alone as in the past, under the new model the local council sets a fixed price for running its canteens, and then uses a points system to select and monitor the winning company based on quality.

Tendering companies are compared according to their scores on areas, such as: nutritious and tasty food (factors here include "not using pre-cooked and fried food" or "at least 10 different vegetables per week"), ecological foodstuffs, and local fresh produce (which includes "average distance from vegetable suppliers less than 30 km").

Today, children from three public kindergartens, as well as from the two municipal centres for people with disabilities in Mollet, eat healthy lunches, prepared with lentils, chickpeas, tomatoes, lettuce, beans, carrots and other vegetables from Gallecs - the 734-hectare agro-ecological park on the city's doorstep.

The food served in Mollet’s public canteens is now, on average, more than 80 percent organic and 100 percent seasonal. All the vegetables travel fewer than 30 km (19 miles) from field to fork. A steady supply of other fresh food, including meat and fish is ensured, thanks to an agreement with a regional association. Parents in three of the ten publicly-run primary schools have followed suit to transform their canteens - with more and more schools showing interest - in Mollet and beyond.

**LEARNING JOURNEY**

All of this activity means more jobs and economic development. In Gallecs, there are about 20 local producers today, with some of them employing around twice as many people as in 2013, and numbers are growing.

Gallecs now counts seven exploitable hectares, compared to the two hectares before the project started, and local producers now supply 14 public canteens in other cities in the region.

In 2015, the city voted, in Swedish style, for a diet policy with cross-party consensus, to turn Gallecs into a major local supplier of seasonal, organic produce beyond public canteens.

Antonio Martinez, a local council officer, reflects on what would have been different if Mollet hadn’t joined URBACT and introduced to Sodertalje. “Everything!” he exclaims. “There’s a chance we’d be right where we were five years ago, facing budget cuts, but no way to improve our services. We’ve managed to introduce something new - without increasing costs.”

When Mireia Oliva - principal of the pioneering Can Besora school, which was involved in the exchanges with Sodertalje - was asked if this has been a useful experience with positive effects on the children, her answer in Catalan was categorical: "Molt, Molt, Molt" - very, very, very much so.

The learning exchange has gone in the other direction as well. Sodertalje was so impressed by the Gallecs model of sharing management of a regional agricultural park that the Swedish city is embarking on importing that idea from its Spanish counterpart. Mollet and Sodertalje are now part of another URBACT network, Agri-Urban, to further foster the economic potential of sustainable local food chains.

This is an edited version of the article What a city in Spain learned from Sweden about promoting local food and healthier eating - written by Amy Labbarriere for URBACT and first published on citiscope.org.

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**URBACT is the European Territorial Cooperation programme enabling EU cities to develop integrated local solutions through networking, capacity-building and knowledge-transfer activities.**

Learn more at [http://urbact.eu/](http://urbact.eu/)

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Mireia Oliva, a principal whose school has long emphasised healthy eating, was part of the Mollet delegation that went to Sweden and helped the Mollet Council develop its new food policy.

*Photo: Amy Labbarriere*
Frontex puts roots down in Poland

Frontex, the EU border and coastguard agency, will grow three-fold in five years. It will build a new office in the Polish capital despite rising tensions over migration policy between Warsaw and Brussels.

When entering the Frontex office, it feels like going into any multinational company's building, like Google, for instance.

On an outdoor patio and inside the ultra modern building, groups of people from different European countries are conversing in English, in their different native accents. To enter, however, you have to pass through a security gate, which looks more restrictive than what you see at the airport - a reminder that it is a law enforcement agency.

The Frontex offices are currently located in the new Warsaw Spire office complex in the city's Wola district. There, you can see some of the most original new buildings in Poland’s capital,
and some of the most chic and prestigious office spaces in the city.

Inside the building, the corridors are modern and bright, with white walls and a grey carpet-like floor-covering. It feels cosier and more comfortable than the European Commission’s Berlaymont building in Brussels.

MORE PEOPLE, LESS SPACE
The migration crisis forced the EU to strengthen its border guards. A regulation adopted in September 2016 gave Frontex new powers, with a significant increase in budget and staffing.

The agency is hiring new people, which means squeezing more staff into less space.

"They are taking away the space we used to have for meetings, as well as putting new desks into the old rooms," says one of the Frontex employees. The agency is planning to rent some additional space in the coming months.

In 2015, Frontex employed 320 people, but now it employs 460. Nearly 170 people are involved in operations, 150 work as analysts, and 80 work on operational logistics. By 2020, the number of staff is expected to increase to 1,000.

The Frontex offices now occupy the 6th to 13th floor of the building and the lower levels are occupied by a bank. "Maybe we will have to take their space?" said a Frontex officer.

The budget of the agency will grow from €143 million in 2015 to €322 million in 2020. Frontex is currently running 12 operations in cooperation with EU states. The largest of them are sea operations – "Triton," off the coast of Italy and Malta (with more than 400 officers and 14 ships), and "Poseidon," in Greece and the Aegean Sea (with nearly 900 border guards and 14 ships). Maritime operations are the most expensive part of the agency’s budget.

The agency also helps Bulgarian, Hungarian and Croatian guards in patrolling the borders with Serbia, and the Bulgarian authorities in monitoring the Turkish border – Frontex has 270 border guards deployed at these crossing points.

POLITICAL DECISION
Currently, Frontex operates mainly in southern Europe and the Mediterranean, but its headquarters are based in Poland. Does that make sense?

"Warsaw is a significant European city with good access to a big airport," said Ewa Moncure, a Frontex spokeswoman.

"Our operations take place at the external borders of the EU with the strongest migration pressure. Now it is mainly the Greek, Italian and Spanish maritime border, but what if migration pressure moves to Finland or to the Ukrainian border?"

The coordination of the current operations takes place on the spot anyway, in regional offices in Catania, Italy, or in Greece.

"The location of the headquarters does not play a crucial role. Analysts, the situation centre, finance section, administration, public procurement can work from anywhere in Europe," Moncure added.

The situation centre is where Frontex officers monitor the situation in regions where the agency runs operations. Many people travel between Warsaw and the agency’s operational sites.

The location of an EU agency is a political decision, which is usually made around the time it is created.

Poland joined the EU in 2004, together with nine other nations, mainly from Central and Eastern Europe. A year before, the EU had decided that, when establishing new agencies, "priority" should be given to locations in the new member states. Frontex was one of the first to be created after that decision.
POLISH COMPROMISES

Frontex is the only EU agency in Poland. It opened its office in Warsaw in 2005, but a dispute over its legal status has lasted for over a decade. Frontex demanded that the Polish government partly finance the cost of building the new headquarters, open a European school in Warsaw for the children of the agency’s foreign workers, and provide the Polish employees with diplomatic protection.

The Polish government considered these claims to be excessive, but eventually gave in and agreed to most of the demands. It granted enhanced diplomatic protection, but only to Frontex management staff and agreed to build a school. In the interim, children of foreign employers are attending various international schools in Warsaw.

Whether Poland will fund part of the construction costs of Frontex’ headquarters has yet to be announced.

Last year, Warsaw was pressured to sign the agreement when the EU was reinforcing Frontex. Brussels gave the government a short deadline to close the negotiations – otherwise Poland risked losing the agency’s headquarters.

The issue was settled by the right-wing Law and Justice (PiS) government, which is in conflict with Brussels over migration policy. Poland had refused to accommodate any migrants in the EU relocation scheme, even though the former centre-right government agreed to take 7,000 of them.

In March 2017, the Polish minister of internal affairs, Mariusz Blaszczak, and the head of Frontex, Fabrice Leggeri, signed an agreement ascertaining the seat of the agency’s headquarters in Poland. The agreement is now pending ratification by the Polish parliament.

The agreement with the Polish government enables Frontex to build a new office, large enough to house its growing staff, from the ground up. The likely location, currently covered in tall grass behind a locked gate, is next to an old abandoned sports stadium.
It is also next to the headquarters of the Polish Intelligence Agency and is not in the immediate centre of the city. There are not very many bars and cafes there, especially compared to the current one. On the other hand, it will be much closer to Warsaw’s Chopin Airport, which is practical because the agency sees many foreign visitors.

Frontex will be responsible for construction and funding. The agency has five years to undertake the investment, but wants to start sooner, alongside plans to hire new staff. But there is no architectural plan or budget yet.

66% OF BRUSSELS WAGES

Building the new headquarters will be a logistical challenge, but Frontex has to hire staff regardless. For Western Europeans, Warsaw is not a particularly attractive place to work, especially because of the so-called correction coefficient – an indicator that adjusts the wages of EU workers to the local cost of living, which, in Poland, is around 66 percent of what EU employees earn in Brussels. This means that a person coming from the West can expect to earn around two-thirds of a Brussels wage for his or her position.

According to EU law and the agreement with the Polish government, non-Polish workers will be granted exemptions from the obligation to pay taxes in Poland. They will also benefit from a VAT exemption when making large purchases, such as a car.

"The agency is expanding in different fields, so we can be an interesting place to work," said Moncure. "We are becoming one of the central EU agencies."

At present, 182 out of 460 people working in Frontex are Polish. 30 are Spanish, 29 Romanian and 28 Italian. There are also between 10 and 20 Greeks and between 10 and 20 Portuguese officers. This year, a hundred new people have been employed.
The bids published by 21 member states in the race to host the two London-based EU agencies - the European Medicines Agency (EMA) and the European Banking Authority (EBA) - are very much reminiscent of the standard application letter.

The authors have clearly looked at the six criteria agreed to by EU government leaders last June, and made sure that their bid ticked most of the boxes.

If the bids were to be believed, virtually all of the European cities are well connected to all other capitals, can guarantee the agency’s "business continuity", and offer healthcare and job opportunities for agency workers' spouses.

Each contestant also threw in some extras, beyond the minimum criteria, by spotlighting the unique qualities inherent in their city or region, in the hope of persuading Europe to give them one or both of the agency seats.

The features portrayed reveal parts of a city's self-image and give insight into what its officials think makes it competitive. Here are some examples.

**CULTURE**

The authors of the bids seem to think EU agency staff prize culture.

The Dutch, in their application, noted that Amsterdam hosts 207 Van Gogh paintings, whereas Frankfurt took a more general approach by boasting "over 4,000 paintings from the Middle Ages to the present". Vienna mentioned that it hosts "The Kiss" by artist Gustav Klimt, while Prague went as far as offering the staff of the EBA "unlimited free access" to dozens of museums.
CYCLING
Accessibility is one of the six criteria, but many bids also emphasise the ease of getting around within the city.

Photos of bicycles, usually set in a sunny backdrop, were a popular feature in many of the applications. Germany spoke of Frankfurt’s “excellent cycle paths”, while Denmark noted that around “400 kilometres of bicycling paths connect the different areas of Copenhagen”. The Dutch application - an 86-glossy page book weighing 400 grams - included seven photos prominently showing bicycles.

SPORTS
Some cities aren’t afraid to get physical.

Copenhagen offered agency staff “plentiful parks, lakes and green spots - ideal for a football match or a relaxing picnic”, while others like Paris and Barcelona point out how much cheaper a gym membership is compared to the UK.

The Bulgarian bid expected EMA staff to share a hobby with the US president: “If you are a golf enthusiast, you can enjoy the best golf courses in Eastern Europe such as the Thracian Cliffs and Pirin Golf,” it said, noting that the nearest golf course is only 15 minutes away from the planned headquarters. It neglected to mention, however, that the permit granted to one of the golf courses by the Bulgarian government was given in violation of EU law.
INTERNET ACCESS

Today, being able to go online is almost a basic human right. Amsterdam, in its bid, claimed to offer “ultra-high-speed connectivity with an average peak load of over 3 Terabytes per second” and highlighted that they are a “frontrunner in mobile connectivity with a coverage of 98% for 4G network”.

GAY RIGHTS

Four of the bids - Athens, Malta, Milan, and Vienna - specifically mention that their candidate city is welcoming to the lesbian, gay, bisexual, transgender, intersex, and queer (LGBTIQ) community.

"Most Maltese are welcoming to all, and the gay community is thriving," one bid said, while another noted that Milan offers “free counselling, practical assistance, legal assistance and information on local LGBTIQ associations”.

Vienna's bid to host the EMA contained several paragraphs devoted to the issue, while the same city's bid to host the EBA did not. Austrian health minister Pamela Rendi-Wagner, who defended the EMA bid, explained to EUobserver that her colleagues from the ministry of finance maybe lack the same sensitivity to the LGBTIQ community she has.

"But the city is the same, I can guarantee it," she hastened to say.

SAFETY

Many of the bids also emphasised public safety. Some even mention terrorism.

The website summarising Bucharest's bid - "one of the safest cities in Europe to live and work" - specifically highlighted Romania’s low terrorist alert level ("Blue-Caution"). Citing the US State Department, Poland’s bid noted that the country has "no indigenous terrorism" and that "no known terrorist organisations have been identified to operate in Poland". "By all accounts, the city is a safe and appealing place to live and work compared to many other European capitals," it said of Warsaw.
CONSTRUCTION EQUIPMENT SECTOR IN EUROPE

40 BN € REVENUES
300 000 OVERALL EMPLOYMENT
1 200 COMPANIES

20% SHARE OF GLOBAL PRODUCTION
26 BN € EXPORT

MOST COMPANIES ARE SMEs

22% <10 MN €
39% 10-50 MN €
11% 50-100 MN €
16% 100 MN € - 1 BN €
11% >1 BN €


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EUIPO puts Alicante on map

The EU’s highest-staffed agency is based in Alicante. What benefits does hosting the intellectual property office bring to the city and the region?
Five kilometres north of Alicante airport in Spain is the EU’s Intellectual Property Office’s (EUIPO) headquarters.

Along the coastline, the EUIPO building offers a panoramic view of the Mediterranean Sea. Presently, there are roadworks which make for stop-and-go traffic on one of the main routes to enter the city. But once completed, a new bicycle lane will be in place, connecting Alicante and the EU agency.

EUIPO, currently the largest EU agency in terms of staff (913), is responsible for trademark and design registrations in the EU. It issues titles, which are applications for trademarks that have been registered and accepted, that are valid in all EU countries, a market of more than 500 million consumers - at least until the UK leaves.

The EUIPO building has an imposing facade of glass and concrete, but on the inside it is bright and full of open space. The exterior hosts plenty of green areas, and the view is only disrupted by the ongoing construction of the third office extension, which is set to accommodate the learning centre and the European Observatory on Infringements of Intellectual Property Rights by October 2017.

SOCIO-ECONOMIC FOOTPRINT

Antonio Campinos, the executive director of EUIPO, once stated that 42 percent of the economic activity and a third of all jobs in Europe depend on companies that make extensive use of industrial and intellectual property rights. But what is the socio-economic footprint left by the agency itself in the Spanish region where it is based?

EUIPO’s presence in Alicante represents 2,400 qualified jobs worth €376 million.

Photo: Le ai e
The construction of the third extension is an obvious way of assessing the impact of the agency on the region. EUIPO’s new building will cost €13.7 million for 14,000 square metres of office space. But EUIPO needed to launch an EU-wide tender to get the job done.

“The awarded provider can be a joint venture made up of different companies with different nationalities”, said Luis Berenguer, head of communications at EUIPO.

Although many may think that local companies hold a logistical advantage, there were no guarantees that the contract would be awarded to any of them. In the end, the tender was given to a firm with an office in Alicante, but headquartered in Madrid. EUIPO has not kept records of how often tenders have been awarded to a local company.

Sometimes the agency has a very direct impact on the region, like when it purchased a stretch of road from the Alicante municipality in 2016. The €250,000 price tag, however, only represented 0.001 percent of the municipality’s €246 billion income that year.

**ECOSYSTEM**

Another way to look at the agency’s regional impact is to take into account the knowledge and expertise it brings to the area.

A 2015 study by the Chamber of Commerce of Alicante showed that EUIPO’s presence in the area represents 2,400 qualified jobs worth €376 million - up by 26 percent since 2013.

“The objective of EUIPO is not, and should not be, to transform the city or the province,” said a local from Alicante.

*Photo: P*
According to the report, EUIPO's presence in Alicante has affected the region on different levels - socially as well as economically. The location of the agency in Alicante boosted an entire ecosystem of goods, services, capital, education and qualified professionals.

An entire intellectual property (IP) ecosystem has grown around EUIPO. "For example, the only Trademark Court in Spain is situated in Alicante, as a result of the office's presence here", Berenguer told EUobserver. "Many important law firms that deal with intellectual property matters opened branches in Alicante", he said.

Berenguer, a native of Alicante, considered the office's location "a very good fit" as Alicante "has always been a very international city". Nevertheless, he added: "It's fair to say that no matter what seat had been chosen for our office back in 1993, the same effect would have occurred".

DEFEND TO THE DEATH

Ximo Puig, the president of the regional government of Valencia, has described EUIPO as "the most important European agency in the Mediterranean" and underlined its presence in the region as "our connection to a project that we defend to the death - that is Europe". This view is shared by Adrian Ballester Espinosa, an official at the county council of Alicante, who told EUobserver that "EUIPO helps the province to identify itself more with Europe".

Gabriel Echavarri, the mayor of Alicante, emphasised the importance of the agency for the city. "One can realise its importance when travelling to Brussels. There you find out that everybody knows where Alicante is because it is home to EUIPO," said Echavarri in an interview. He added that "Alicante would not be the same in any sense without EUIPO".

The socio-economic impact of EUIPO in the region is positive, although limited. As Berenguer said, "We are happy to see the city is growing and developing, but the objective of EUIPO is not, and should not be, to transform the city or the province".

The EU agency illuminates Alicante on the map - pushing the city beyond tourism, good food and long beaches - and makes it a bit more European.
LESSONS LEARNED FROM CEPOL'S SOFT BREXIT

A decision by Theresa May, when she was home secretary, prompted the move of Cepol, the EU’s police academy, from Bramshill to Budapest. The decision-making was long, and the move offered some lessons.

Theresa May has already presided over a Brexit. It was a small dress rehearsal for what is coming in March 2019, when the UK leaves the EU, and holds some valuable lessons for the real deal. May, during her time as home secretary, decided to sell the land in Bramshill where Cepol, the European Union Agency for Law Enforcement Training, was located, forcing the agency and its staff to find a new home on the continent.
May notified Cepol, a small agency dealing with police training, of her intentions in December 2012 and the news soon was relayed to employees.

A long legislative process ensued in the EU, as the European Commission was hoping that the move could give impetus to an earlier plan of merging Cepol with Europol, the EU's police agency. But that came to nothing.

Soon after, seven member states scrambled to relocate Cepol, with only Hungary's capital, Budapest, applying from the "new" member states.

Based on an earlier understanding that new member states receive preference to host EU agencies whenever possible, and because Hungarian authorities practically offered the site for free, Budapest won.

The Council of the EU, the body representing national governments, agreed in 2013 and, with the European Parliament's consent, the official decision was made in 2014

There were debates in the EU parliament on whether a country like Hungary, with a patchy track record on the rule of law, should be the host for the policy academy. But those political concerns were dismissed.

Based on the latest EU parliament audit, the relocation from Bramshill to Budapest costed approximately €1,006,515.

Some €570,283 was financed by the UK and the EU commission equally, and the rest of the money came from Cepol via savings from its budget in the new low-cost location. The move to Hungary meant reductions in wages of EU workers, due to the so-called correction coefficient which requires wages to align with the local cost of living.

**SOFT EXIT AND LANDING**

Although the decision was known for years, legislative and political wrangling left Cepol employees with little time to prepare for the move.

"It is a big move in everybody's life," Dr Stefano Failla, the deputy head of training and research at Cepol, told EUobserver. He had been involved in the agency's relocation from Budapest.

Several staff meetings were held in 2012 and 2013 about the relocation, but the precise timeline was only given in 2014 - the year the decision and move were officially announced.

Seven employees filed a complaint before the European Court of Justice (ECJ).

Four struck an amicable deal but three went to trial - partly because their salaries were cut to match Hungary's lower cost of living.

But they also argued that the month notice they were given to make a decision on whether they wanted to move was insufficient. The employees lost their case when the ECJ ruled in 2016 that reassignment of an EU official or staff member does not constitute an "abnormal and unforeseeable" event in his or her career. The EU rules also provided for extra money to move - a reimbursement of relocation and travel costs.

The three, who still work at the agency, appealed the decision.
PERSONAL COMPLEXITIES
The court case highlighted the personal complexities for moving an entire agency, which was recently evident when news emerged that 75 percent of the staff at the London-based European Medicines Agency (EMA) would not want to leave the British capital.

The EMA and the other London-based agency slated for relocation, the European Banking Authority (EBA), employ 1,050 people who will need to move to the continent.

Cepol only has 52 staff members from 19 different countries. Three of their staff members clearly indicated their opposition to moving with the agency to Budapest and stayed in the UK when it relocated, citing family and financial reasons, Cepol's press officer told EUobserver.

To prevent fallout, Failla said that Cepol designed a very detailed relocation plan ahead of time, which aimed for the minimum negative impact on staff. "It didn’t come out of the blue," he said of the decision, noting that the preparations had begun in 2012.

He added that while it is not unusual for civil servants to be asked to move from country to country, the fact that people’s lives and families are involved has to be taken into account.

"The most precious resource is the team, so make sure to have the least possible negative impact on them, the rest is logistics," he said, when asked what advice he would give to the other agencies facing relocation.

"Everybody needs to have a soft exit and landing," he stated, saying that working on school arrangements and addressing diplomatic privileges with the host government are top priorities.

Planning ahead is crucial and employees should try to approach the move positively, he argued. "The transition is traumatic, but it is also a novelty - it can bring new things, new experiences into one's life that could be life changing."

Failla suggested that people try to get to know the local culture before they arrive. Cepol's new headquarter, for instance, is in the heart of Budapest, only a few steps away from the magnificent Opera building.

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The State of the European Union: the View of Regions and Cities

Address by Karl-Heinz Lambertz
President of the European Committee of the Regions

10 October 2017
3 pm | European Commission (Charlemagne building), Brussels
#SOTREG

Karl-Heinz Lambertz, President of the European Committee of the Regions, will deliver the first-ever Address on the "State of the European Union: the View of Regions and Cities" on 10 October in Brussels. The Address will be followed by a debate with local and regional leaders from all EU Member States.

President Lambertz's Address will contribute to setting the EU's future agenda by taking stock of the current situation of cities and regions in the Union. It will look ahead to the challenges for local governments in the coming years.

The event will be broadcast live on EbS and web-streamed on the European Committee of the Regions' website: www.cor.europa.eu

Also visit: cor.europa.eu/sotreg.go