



## MEP expenses and allowances In the spotlight

As Bart Staes, a Member of the European Parliament (MEP) from Belgium and the Group of Greens/European Free Alliance, finishes his report that blasts the Parliament's spending and controls, opposition is mounting against him and his conclusions that could open up the lawmakers finances to public scrutiny. More than 200 amendments have been tabled, including no fewer than 50 from German Christian Democrat, Ingeborg Grässle, who said she believes the report paints a picture of the lawmakers as corrupt and out to line their pockets at every opportunity, something she describes as "nothing to do with reality in the Parliament."

After New Europe wrote about MEPs having paid back several million euros in expenses, we received a letter from the Parliament's Press Spokesman complaining about our coverage. We asked him some follow-up questions about MEPs expenses and you can read the answers he gave below. Readers are invited to make up their own minds about the replies and to note what questions were left unanswered. Another issue that upset the Press Office, was our coverage over the secretive second pension fund, that is causing concern, with a reported deficit of over 100 million euros. The Bureau brought in a tightening of the fund, that was intended to lower the future financial cost, taking measures such as raising the retirement age and so on. A group of 65 current and former MEPs are taking the decision to the Court Of Justice, hoping to get it overturned and keep pocketing the perks of this second pension fund. New Europe, for the first time, publishes the full list of those bringing the case.

*It is stated that the €3.4 million that has been repaid so far is just normal accounting practice. This amount appears to be significantly higher than in previous years. Why this might be? As the figure only represents monies that have been actually repaid, what amount was requested to be repaid, but has not yet been received, and how many MEPs are involved?*

The total figure is always going to vary from year to year, since in the large majority of cases these repayments result from the different between advance payments based on estimated expenditure and actual expenditure covering a range of different circumstances. During 2007-8, improvements were made to the process for finalizing (the technical term is "regularizing") these dossiers, which enabled a backlog of cases pending from 2004 onwards to be resolved. This may be one reason why the level of repayments was higher in those years than in, say, 2009. The system involved has also been refined and in addition from mid-2009 onwards covers a much smaller set of staffing payments than in the past.

*It was also stated that when doubt arises, the Parliament services request further information. How many MEPs has such further information been requested from? What has been the response?*

Such requests cover a range of possibilities

and are often completely routine. They may refer to nothing more than a missing signature or those where the documents initially provided are not complete – a contract for an assistant is missing, for example. Further rounds of requests for information are made if necessary. Parliament does not keep a running total of the number of such requests and each issue is treated separately. However, as an example, it was previously calculated in early 2009 that 99.5 per cent of the payments made during the period 2004-2007 had been "regularized".

*It is stated that the Parliament can and does refer MEPs to OLAF. How many MEPs have been referred to OLAF in the last two parliamentary terms? Tom Wise MEP was not referred to OLAF. Why not? Would the same course of action be taken if a similar situation arose again?*

Parliament does not, in general, comment on referrals to OLAF; a referral to OLAF is not a final conclusion of wrongdoing. Since this particular case is already in the public domain, we can confirm that there was an OLAF investigation into the case of the former MEP Tom Wise and Parliament's services actively cooperated with it, as always. In that particular case, allegations made in the press prompted OLAF to launch an investigation, so the question of referral by Parliament's services did not arise.

*The pension fund had a reported shortfall of €125 million. This is an old figure, what is the current shortfall? Mr Duch Guillot also makes clear that the Parliament is taking measures to reduce liabilities in the pension scheme. By how much would the shortfall will be reduced if these measures are implemented?*

First, a linguistic point, but an important one. There is no "shortfall" in the pension fund. It is perfectly able to meet its current obligations and those for the coming years. What is at issue is an actuarial deficit, based on the likely future obligations to members of the scheme, and this inevitably changes from month to month as the value of investments vary, most notably in line with economic circumstances. The EP Press Service does not have details of the day-to-day value of the fund; it is established as a not-for-profit private company under Luxembourg law.

*It is widely believed that the cost saving measures will not eradicate the deficit. If this is the case, where will the rest of the money come from? If the court case goes against the Parliament, how will it prevent a "bail out" by the European taxpayer?*

We are not sure on what you base your assertion in your first sentence. Nor can we say what decision might be made by the Parliamentary authorities at some point in the future if the hypothetical situation you posit should come to pass. Parliament is defending its position before the Court, and again, the Press Service cannot predict what decision the Parliament might take in the second hypothetical situation you posit.

MEPs who are suing to keep their lucrative second pension

### BRITAIN: (18)

Current:

Robert Atkins, Conservative (ECR)  
Giles Bryan Chichester, Conservative (ECR) famously paid €540,000 to a company of which he was a director  
Roger Helmer, Conservative (ECR)  
Robert Sturdy, Conservative (ECR)  
Former:  
Richard Balfe, Conservative (EPP-ED, now ECR) - initiator of the case  
David Bowe, Labour (S&D) - now a public affairs consultant  
James Glyn Ford, Labour (S&D) - now a lobbyist for G Plus  
William Richard Inglewood, Conservative (EPP-ED now ECR) also a Baron  
Caroline Jackson, Conservative (EPP-ED now ECR) - Her husband, Robert, a former MEP isn't part of the case  
Graham Christopher Spencer Mather, Conservative (EPP-ED now ECR) - now President of the European Policy forum  
William Miller, Labour (S&D)  
Ashley Mote, UKIP/NI - convicted of benefit fraud in 2007  
Christine Margaret Oddy, Labour/NI - was suspended by the party for not working hard enough  
John Robert Purvis, Conservative (EPP-ED now ECR) - caught paying staff in his parliamentary office through a company of which he was a director  
Robin Teverson, Liberal Democrat (ALDE) also a Baron  
Gary Titley, Labour (S&D) - former Leader of the British Labour Party in the EP  
Mark Watts, Labour (S&D) - now a public affairs lobbyist  
Thomas Wise, UKIP/NI - jailed for expenses fraud

### FRANCE: (14)

Current:

Guy Bono, Socialist (S&D)  
Bruno Gollnisch, Front National (NI) - fined by a French court for remarks questioning the Holocaust  
Françoise Grossetête, Union pour un Mouvement Populaire (EPP)  
Véronique Mathieu, Union pour un Mouvement Populaire (EPP)  
Former:  
Georges Berthu, Mouvement pour la France (IEN/EDD)  
Marie-Arlette Carlotti, Socialist (S&D)  
Brigitte Douay, Socialist (S&D)  
Catherine Guy-Quint, Socialist (S&D)  
Carl Lang, Front National (NI)  
Patrick Louis, Mouvement pour la France (IEN/EDD)  
Elizabeth Montfort, Rassemblement pour la France (EPP)  
Pierre Schapira, Socialist (S&D)  
Margie Sudre, Union pour un Mouvement Populaire (EPP)  
Nicole Thomas-Mauro, Rassemblement pour la France (EFN)

### POLAND: (7)

Former:

Urszula Krupa, Liga Polskich Rodzin (ID)  
Stefan Kuc, Samoobrona RP (UEN)  
Zbigniew Kuźmiuk, Polskie Stronnictwo Ludowe (UEN)  
Bogdan Pęk, Liga Polskich Rodzin (UEN)  
Grażyna Staniszevska, Unia Wolności (ALDE)

Witold Tomczak, Liga Polskich Rodzin (ID)  
Bernard Wojciechowski, Liga Polskich Rodzin (ID)

### PORTUGAL: (7)

Current:

Elisa Maria Ferreira, Socialist (S&D)  
Ana Maria Rosa Martins Gomes, Socialist (S&D)  
Former:  
Vasco Graça Moura, Coligação Força Portuguesa (EPP)  
Sergio Marques, SDP (EPP)  
Luis Queiro, SDP (EPP)  
José Ribeiro E. Castro, PP (EPP)  
José Albino Silva Peneda, SDP (EPP)

### SPAIN: (4)

Former:

Juan Manuel Fabra Valles, Partido Popular (EPP)  
Javier Areitio Toledo, Partido Popular (EPP)  
Joan Colom I Naval, Partit dels Socialistes de Catalunya (S&D)  
José Javier Pomés Ruiz, Partido Popular (EPP)

### ITALY: (4)

Current:

Gabrielle Albertini, Il Popolo della Libertà (EPP) Member of the Bureau  
Former:  
Michl Ebner, Uniti nell'Ulivo-Südtiroler Volkspartei, (EPP)  
Vincenzo Viola, Patto Segni (EPP)  
Riccardo Garosci, Forza Italia (EPP)

### FINLAND: (2)

Former:

Henrik Lax, Svenska folkpartiet (ALDE)  
Reino Paasilinna, Finlands Socialdemokratiska Parti (S&D)

### GERMANY: (2)

Former:

Angelika Beer, Green (EFA)  
Ozan Ceyhan, Bündnis 90/die Grünen (S&D)

### AUSTRIA: (1)

Former:

Herbert Bosch, Sozialdemokratische Partei (S&D)

### IRELAND: (1)

Former:

Avril Doyle, Fine Gael Party (EPP)

### SLOVAKIA: (1)

Former:

Milos Koterec, Smer (S&D)

### GREECE: (1)

Former:

Minerva-Welpomen Malliori, Panellinio Sosialistiko Kinima (S&D)

### ESTONIA: (1)

Former:

Marianne Mikko, Sotsiaaldemokraatlik Erakond (S&D)

### HUNGARY: (1)

Current:

Pál Schmitt, Fidesz-Magyar Polgári Szövetség-Keresztény Demokrata Néppárt (EPP) Member of the Bureau

### NETHERLANDS: (1)

Former:

Maartje van Putten, Partij van de Arbeid (S&D)

