

Heritage Special Report

SR-92
MAY 16, 2011



Published by The Heritage Foundation

Swaying American Opinion

*Congress Should Investigate European Union
Advocacy in the United States*





The Heritage Foundation is a research and educational institution—a think tank—whose mission is to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense.

Our vision is to build an America where freedom, opportunity, prosperity, and civil society flourish. As conservatives, we believe the values and ideas that motivated our Founding Fathers are worth conserving. As policy entrepreneurs, we believe the most effective solutions are consistent with those ideas and values.

Leadership *for* America **Ten Transformational Initiatives**

This paper is part of the **American Leadership Initiative**, one of 10 Transformational Initiatives making up The Heritage Foundation's Leadership for America campaign. For more products and information related to these Initiatives or to learn more about the Leadership for American campaign, please visit heritage.org.



American Leadership



Education



Energy & Environment



Enterprise & Free Markets



Entitlements



Family & Religion



First Principles



Health Care



Protect America



Rule of Law

Swaying American Opinions

*Congress Should Investigate
EU Advocacy in the United States*

By Sally McNamara

Abstract

The European Union is pouring enormous amounts of money into the United States. Regular multimillion-dollar payments to individuals and organizations in the U.S. raise important questions over Brussels' interference in U.S. political and social debates—including climate change, the death penalty, and membership of the International Criminal Court. It is also not possible to justify EU human rights budgets being spent in one of the world's freest nations. The EU budget has become synonymous with profligacy, waste, fraud, and mismanagement. It is beyond time for EU member state governments and European parliamentarians to take action. And it is Congress's duty to ascertain whether these expenditures are in compliance with U.S. laws, and to ensure that American interests are protected.

About the Author

Sally McNamara is Senior Policy Analyst in European Affairs in the Margaret Thatcher Center for Freedom, a division of the Kathryn and Shelby Cullom Davis Institute for International Studies, at The Heritage Foundation.

Ms. McNamara concentrates on American relations with the European Union and European countries, with particular focus on economic reform policy, trade issues, and the war on terrorism. She also analyzes NATO's evolving role in post-Cold War Europe.

She is grateful to Mats Persson, Director of Open Europe; Dr. Nile Gardiner, Director of the Margaret Thatcher Center for Freedom; and Janice A. Smith, Special Assistant and Policy Coordinator to the Vice President of Foreign and Defense Policy in the Davis Institute, for their advice. She is also grateful to Erica Munkwitz, Administrative Assistant in the Margaret Thatcher Center for Freedom, for her assistance.

© 2011 by The Heritage Foundation
214 Massachusetts Avenue, NE
Washington, DC 20002-4999
(202) 546-4400 • heritage.org

This paper, in its entirety, can be found at:
<http://report.heritage.org/sr0092>

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

INTRODUCTION

From 2007 through 2009, the European Union spent \$1.23 billion in the United States. A large part of this money funded projects in other foreign nations that were administered by the U.S.-based World Bank and United Nations.¹ However, according to the European Union's financial records posted online, large amounts of European taxpayer money were spent directly inside the United States and served to give the European Union greater influence, and advance the EU's favored political causes, in America. Some of America's wealthiest academic institutions have received millions of dollars in research grants and other contracts to promote a positive view of European integration. U.S. non-governmental groups received large sums of money from the EU's human rights budget to advance a social agenda that many Americans would consider radical. A number of multimillion-dollar confidential payments were also made inside the U.S. to unidentified "natural persons" (individuals, not corporations) from an array of EU budget lines, including the Common Foreign and Security Policy (CFSP).

The United States and most European countries have much in common politically and culturally, and EU public diplomacy expenditures inside the U.S. should be minimal compared to spending in countries that do not share the core Euro-Atlantic values of democratic governance, the rule of law, and human rights.

How any foreign entity is spending money inside the U.S. should be of concern to Americans and their elected representatives on Capitol Hill. Congress has a duty to ensure that U.S. laws, sovereignty, and interests are not being undermined from within. Congressional oversight is needed to identify exactly how and where the EU is intervening inside the U.S.

Governments of EU member states and European parliamentarians should also thoroughly investigate EU spending in the United States and determine its appropriateness. The EU's spending inside the U.S. comes after the EU Court of Auditors refused to sign off on the accounts of the European Union for the 16th consecutive year.

The EU budget was increased by 2.9 percent in 2011, during a time of severe austerity cuts in many EU countries, including cuts to education budgets. The European Commission has requested a budget increase of 4.9 percent for 2012. Governments and parliamentarians should ensure that the European Commission's existing expenditures are both necessary and prudent before contemplating any increases for 2012.

Methodology

The figures for this Heritage Foundation *Special Report* are drawn exclusively from the European Commission's Financial Transparency System (FTS), which allows users to search the commission's budget for payments made in individual nations from 2007 through 2009.² The FTS provides select details of every grant or contract it identifies, including who receives these funds; where the beneficiary is located; the amount and type of expenditure; the purpose of the expenditure; and the percentage of the project's costs that are covered (co-financed) by the European Union. Each separate grant or contract is identified by a unique "commitment position key"—an individual alphanumeric code that identifies a particular budgetary commitment.

In some cases, select informational points are either unavailable or deliberately, redacted which the EU claims is for security reasons.³ In several cases, the EU simply states that the recipient of the grant is a "natural person" or

-
1. The Financial Transparency System states that 171 payments were made to projects involving the United Nations from 2007 through 2009; 29 payments were made to projects involving the World Bank in this period. The total combined expenditures for these projects were €572 million (\$846 million).
 2. The FTS also identifies expenditures that are paid in preceding years for programs to take place in future years, such as the Getting to Know Europe 2011–2012 program. See European Commission, "Financial Transparency System," at http://ec.europa.eu/beneficiaries/fts/index_en.htm (April 27, 2011). Related EU Web sites are referenced for research purposes.
 3. *Ibid.*, and "What can I find on this site?" at http://ec.europa.eu/beneficiaries/fts/find_en.htm (April 27, 2011).

“confidential.” A natural person is an individual, as opposed to a “legal person” which would be a corporation or organization.

Some payments, such as external EU aid administered by another international organization, are not contained within the FTS. The FTS only identifies payments on the basis of the beneficiaries’ address, even though the location of the project activity may differ from the recipients’ address.

Even allowing for these limitations, it is possible to get a clear picture of the scale of EU money which is spent inside the United States. The FTS contains 1,131 records for payments made inside the U.S. from 2007 to 2009, totaling €840.6 million (\$1.23 billion).

Hereinafter, expenditures are stated in their euro denomination first. The dollar conversion is given in parenthesis (using the exchange rate of April 25, 2011).⁴

EU Expenditures in the United States

Top recipients of EU money inside the U.S. include: (1) the World Bank; (2) the United Nations; (3) partners in collaborative scientific projects paid from the EU’s research budget (the Seventh Framework Program (FP7)); and (4) U.S. universities and other places of learning. Millions of dollars are also spent on Washington-based non-profit and advocacy organizations. The EU extensively funds U.S. anti-death-penalty groups, for example, stating that it is “deeply concerned about the increasing number of executions in the United States of America.”⁵ The FTS reveals that the EU gave at least five U.S.-based organizations a total of €2.1 million (\$3.1 million) from 2007 to 2009 for anti-death penalty advocacy.⁶ Eleven U.S. think tanks and public policy research centers, including the Brookings Institution and the Council on Foreign Relations, received a total of €1.9 million (\$2.8 million) for policy programs in 2010 and 2011 alone.⁷

The EU also spent millions of dollars on advertising, publicity, and educational and promotional activities including campaigns in national newspapers and university-based radio programs. Large-scale programs include €3.42 million (\$4.98 million) for “EU Centers of Excellence in the U.S.” (2008–2011)⁸ and €1.8 million (\$2.7 million) for two iterations of the European Commission’s “Getting to Know Europe” programs, designed to promote greater knowledge of the EU within local and regional communities around the U.S.⁹

Many of the budget lines identified through the FTS are wasteful, questionable, or require further explanation. In particular, several multimillion-dollar payments to confidential sources and “natural persons” inside the United States require additional scrutiny by EU member state governments and European parliamentarians, as well as oversight by the U.S. Congress to ensure that U.S. interests are being protected in such transactions.

4. The FTS identifies grants and contracts by year only, so it is not possible to identify the specific exchange rate for any given grant or contract.

5. European Union External Action, “Death Penalty,” at <http://eurunion.org/eu/hot-topics/hot-topics-eu-policy-and-action-on-the-death-penalty.html> (April 27, 2011).

6. In the “List of Projects Financed Under EIDHR 2009,” Reprieve LBG also received €526,816 in 2009 for “Engaging Europe in the fight for US abolition.” However, no entry for such a project can be found in the FTS, and it is therefore not included in this *Special Report*. European Commission, “List of Projects Financed Under EIDHR 2009,” at http://ec.europa.eu/europeaid/what/human-rights/documents/contracts_table_2009_for_publication_for_website_en.pdf (April 27, 2011).

7. European Union External Action, “Washington Delegation Grant Programs,” at <http://www.eurunion.org/eu/Washington-Delegation-Grant-Programs.html> (April 27, 2011).

8. European Union External Action, “European Union Center of Excellence (EUCE),” at <http://www.eurunion.org/eu/EU-US-Relations/European-Union-Centers-of-Excellence-in-the-United-States.html> (April 27, 2011).

9. European Union External Action, “Washington Delegation Grant Programs.” Although the EU states that there have been three iterations of the “Getting to Know Europe” program, only two sets of data can be found in the FTS, which is likely due to the limited timescale covered by the FTS, i.e., only 2007–2009 expenses. European Union, “2011–2012 ‘Getting to Know Europe: Local and Regional Communities and the European Union,’ Frequently Asked Questions,” at <http://www.eurunion.org/eu/images/stories/2011-12-getting-to-know-europe-faq.pdf> (April 27, 2011).

PART I

EU Spending in the U.S. that Merits Scrutiny by Congress

Promoting the International Criminal Court (ICC): €970,783 (\$1.41 Million). The U.S. is not a party to the International Criminal Court (ICC). The EU, however, supports the ICC both politically and financially. EU member states are the main contributors to the ICC budget. In 2008, the EU spent €970,783 (\$1.41 million) in the U.S. advocating America's ratification of the Rome Statute, which would formally make America a member of the ICC. The money was allocated from its European Instrument for Democracy & Human Rights (EIDHR) budget, whose key objective is to enhance human rights and fundamental freedoms in countries and regions where they are deemed to be most at risk.¹⁰

*Parliamentarians for Global Action.*¹¹ This New York-based non-profit advocacy group received two separate grants in 2008 for the same objective—totaling €970,783 (\$1.41 million)—to “Promote at global level the universality of the Rome Statute (RS) and contribute to the effectiveness of the ICC jurisdictional system, in which States Parties have the duty to exercise their primary jurisdiction over genocide, crimes against huma” (*sic*).¹² This grant was paid by the EuropeAid Cooperation Office, from the EIDHR budget.

Funding Anti-Death-Penalty Groups in the U.S.: €2.1 Million (\$3.1 Million). The EU states that it opposes the death penalty in all cases and supports its universal abolition.¹³ The EU has funded more than 30 anti-death-penalty initiatives around the world since 1994, spending a total of €15 million (\$21.8 million).¹⁴ In March 2011, the European Union's High Representative, Catherine Ashton, congratulated Illinois Governor Patrick Quinn on signing legislation that abolished the death penalty in his state. Lady Ashton's press release did not note, however, that in 2009, the EU granted €193,443 (\$281,305) to an Illinois-based advocacy group in order to influence this debate.

*Death Penalty Information Center.*¹⁵ In 2009, €193,443 (\$281,305) was allocated to this Illinois-based advocacy group. The subject of the grant was “Changing the Course of the Death Penalty Debate: A Proposal for Public Opinion Research, Message Development, and Communications on Capital Punishment in the U.S.” This grant was allocated by the EuropeAid Cooperation Office, specifically from the EIDHR budget. The percentage of the project covered by EU funding (co-financed) was 75 percent.

*Murder Victims' Families for Human Rights.*¹⁶ In 2009, €495,000 (\$719,829) was allocated to this New Hampshire-based advocacy group. The subject of the grant: “Voices of Victims Against the Death Penalty.” This grant was allocated by the EuropeAid Cooperation Office, specifically from the EIDHR budget. It was co-financed by the EU at 71.22 percent.

*American Bar Association Fund for Justice and Education.*¹⁷ In 2009, €708,162 (\$1.03 million) was allocated to this Washington, D.C.-based organization. The subject of the grant was “The Death Penalty Assessments Project:

10. EuropeAid Development and Cooperation, “European Instrument for Democracy & Human Rights (EIDHR),” at http://ec.europa.eu/europeaid/how/finance/eidhr_en.htm (April 27, 2011).

11. Commitment position keys: SCR.711222.1 and SCR.711222.2.

12. *Ibid.*

13. European Union External Action, “Death Penalty.”

14. “The European Union: Leading the Fight Against Capital Punishment,” at http://www.eurunion.org/News/eunewsletters/EUInsight/2007/EUInsight_DeathPenalty2007.pdf (April 27, 2011).

15. Commitment position key: SCR.CTR.167889.01.1.

16. Commitment position key: SCR.CTR.167748.01.1.

17. Commitment position key: SCR.CTR.211244.01.1.

Toward a Nationwide Moratorium on Executions.” This grant was allocated by the EuropeAid Cooperation Office, specifically from the EIDHR budget. It was co-financed by the EU at 80 percent.

*The National Coalition to Abolish the Death Penalty (NCADP).*¹⁸ In 2009, €305,974 (\$444,947) was allocated to this Washington, D.C.–based group. The subject of the grant was “National Coalition to Abolish the Death Penalty Intensive Assistance Program.” This grant was allocated by the EuropeAid Cooperation Office, specifically from the EIDHR budget. It was co-financed by the EU at 60 percent.

*Witness to Innocence.*¹⁹ In 2009, €395,000 (\$574,409) was allocated to this Philadelphia-based group. The subject of the grant was “American DREAM Campaign.” This grant was allocated by the EuropeAid Cooperation Office, specifically from the EIDHR budget. It was co-financed by the EU at 60.4 percent.

Promoting the EU’s Views on Climate Change: Total Expenditures Unknown. The EU claims that human activity is primarily responsible for accelerating the rate of dangerous global warming.²⁰ Brussels wants to see global emissions reduced by at least half of their 1990 levels by 2050. The EU believes that this should be implemented through a legally binding global agreement to reduce and limit greenhouse gas emissions. The U.S. did not ratify the 1997 Kyoto Protocol, which will expire in 2012, and it has not pledged to sign any successor agreement that would mandatorily limit emissions.

*Global Footprint Network, Inc.*²¹ In 2009, €99,970 (\$145,376) was allocated to this California-based non-profit from the FP7’s budget line designated “cooperation—environment including climate change.” The subject of the grant is “Open: EU.” Global Footprint Network received its grant as one of six partners from different participating nations who received a total of €1.3 million (\$1.9 million).

*NASA.*²² NASA is listed as one of several beneficiaries of a €3.5 million (\$5.1 million) grant in 2009. The subject of the grant was “Reconcile.” Reconcile is an FP7 program dedicated to “reconciliation of essential process parameters for an enhanced predictability of arctic stratospheric ozone loss and its climate interactions.”²³ The grant was paid from the FP7’s budget line designated “cooperation—environment including climate change.” The amount that NASA received from the total grant is not stipulated.

*Eight “Natural Persons.”*²⁴ In 2009, eight U.S.-based “natural persons” received a total of €42,311 (\$61,715) from the FP7’s budget line designated “cooperation—environment including climate change.”

*Five “Natural Persons.”*²⁵ In 2008, five U.S.-based “natural persons” received funding from the FP7’s budget line designated “cooperation—environment including climate change.” However, it is not possible to determine their exact level of funding since these natural persons received an unidentified amount from a total grant which was allocated to multiple unidentified “natural persons” (often in countries other than the U.S., too).

Promoting Alternative Energy Projects in the United States: €300,868 (\$437,522). In 2008, the EU introduced its €60 billion “20 20 by 2020” plan which pledges that by 2020, the EU will reduce greenhouse gas emissions by 20 percent; increase the use of renewable energies by 20 percent; increase energy efficiency by 20 percent; and increase the use of biofuels in vehicles by 10 percent. The EU wants to globalize its precautionary-based approach to risk management and actively promotes its radical environmental agenda inside the U.S.²⁶

18. Commitment position key: SCR.CTR.167820.01.1.

19. Commitment position key: SCR.CTR.167888.01.1.

20. EU Facts, “EU Action on Climate Change,” August 2010, at <http://www.eurunion.org/eu/images/stories/eufactsh-climchnge-8-10.pdf> (April 27, 2011).

21. Commitment position key: CPM.227065-326201.1.

22. Commitment position key: CPM.226365-317408.1.

23. “Reconcile,” at <https://www.fp7-reconcile.eu> (April 27, 2011).

24. Commitment position keys: SI2.523570.1; SI2.524273.1; SI2.527984.1; SI2.526513.1; SI2.527006.1; SI2.523706.1; SI2.527689.1; and SI2.526633.1.

25. Commitment position keys: SI2.480845.2; SI2.499189.1; SI2.491187.1; SI2.491457.1; and SI2.498898.1.

26. Sally McNamara and Ben Lieberman, “The EU’s Climate Change Package: Not a Model to Be Copied,” Heritage Foundation *WebMemo* No. 1800, February 6, 2008, at <http://www.heritage.org/Research/Reports/2008/02/The-EUs-Climate-Change-Package-Not-a-Model-to-Be-Copied>.

Congress Should Investigate EU Advocacy in the United States

*Midwest Research Institute.*²⁷ This Kansas City-based institute received a total of nine grants from the European Union from 2007 through 2009, totaling €84,896 (\$123,456). Where the subject of the grant or contract was given, the money was allocated for various energy-related activities including “IEA Wind Implementing Agreement,” and “IEA Membership 2007 Co-operation Research Wind Energy Systems.”

International Food Policy Research Institute. This K Street non-profit organization received two grants from the EU totaling €213,155 (\$309,970).

In 2007, €199,655 (\$290,338) was allocated from the FP7’s “RTD support for community policies on a competitive basis.” No subject of this grant was stated. This project was financed by the EU at 100 percent.²⁸

In 2009, the institute received €13,500 (\$19,632) for the purposes of “AL PE TOKGOZ 13112 biofuels-modelling (sic),” also from the FP7 budget (specifically “Non-nuclear actions of the Joint Research Centre”).²⁹

*Millennium Institute Corporation.*³⁰ In 2009, the Virginia-based 501(c)(3) charitable organization that works on environmental and sustainability issues received €2,817 (\$4,096). No subject of the grant or contract was given, which was allocated from the European Commission’s Trade Directorate.

Other Grants to U.S. Non-Profit Organizations: €769,066 (\$1.12 Million).

*The Carter Center.*³¹ In 2009, €250,000 (\$363,550) was allocated to former President Jimmy Carter’s organization—whose annual budget in 2008–2009 was \$88 million—to administer a media freedoms program in Bolivia. The money was allocated from the External Relations budget, specifically “Crisis response and preparedness (Instrument for Stability).” This project was financed by the EU at 100 percent.

The Asia Foundation Corporation. This California-based group received two grants from the EU in 2008—€149,784 (\$217,816) was allocated for the purposes of “Sopporting (sic) female commune councilors in Cambodia,” by the EuropeAid Cooperation Office, specifically from the EIDHR budget line.³² A further €369,282 (\$537,010) was allocated as a “change of payment class,” from the same budget line, for a project that was co-financed by the EU at 65 percent.³³

U.S. Think Tanks: €3.4 Million (\$4.95 Million). The FTS indicates that from 2007 to 2009, U.S. think tanks received a total of €3.4 million (\$4.95 million) from the European Commission.

In 2009, the EU constituted a Policy Research and Debate (PRD) program, to take place from January 1, 2010, to December 31, 2011. The European Commission provided €1.9 million (\$2.8 million) to 11 U.S. think tanks and public policy research centers to implement projects with topics including the closing of the Guantanamo Bay detention facility; promoting the sustainability of the euro; and making climate change a priority in underprivileged U.S. communities.³⁴ Many of the think tanks designated for funding from the PRD (2010–2011) had received additional funding in prior years, too, according to FTS.

*Peterson Institute for International Economics.*³⁵ The Peterson Institute was allocated €200,000 (\$290,840) in PRD funding in 2009 (for 2010–2011 activities) to disseminate the concept of economic multipolarity. This project was co-financed by the EU at 73.13 percent.³⁶

27. Commitment position keys: SI2.536336.1; SI2.536775.1; SI2.536291.1; SI2.499344.1; SI2.476088.1; SI2.472475.1; SI2.507647.1; SI2.507636.1; and SI2.472563.1.

28. Commitment position key: CCR.IPSC.C253128.X0.1.

29. Commitment position key: CCR.IE.C105826.X0.1.

30. Commitment position key: SI2.518264.1.

31. Commitment position key: SCR.CTR.219462.01.1.

32. Commitment position key: SCR.714910.1.

33. Commitment position key: SCR.718464.1.

34. European Commission, “Research and Academic Resources,” at <http://www.eurunion.org/USPolRsrchDebateGrants2010-11.doc> (April 27, 2011).

35. Commitment position key: SI2.507359.1.

36. Commitment position key: SI2.546268.1.

In 2008, the Washington, D.C.–based non-profit received an additional €200,000 (\$290,840) for an event entitled “The Euro at 10.” The event was funded by the EU’s External Relations directorate, which has a financing “instrument for co-operation with industrialized and other high-income countries and territories (ICI).”³⁷ It was

European Union Contributions to U.S. Think Tanks

Recipient Institution	Project Description	Year Allocated	Euro Amount	Dollar Amount
Atlantic Council	Close Guantanamo	2009	96,693	140,611
Atlantic Council	Unstated	2007	152,727	222,096
Bertelsmann Foundation	Exchange fellowship of EU and congressional staffers	2009	178,755	259,946
The Brookings Institution	Global energy issues	2009	198,735	289,000
The Brookings Institution	Unstated	2009	4,420	6,428
The Brookings Institution	Unstated	2007	195,110	283,729
Carnegie Endowment for International Peace	Unstated	2007	55,000	79,981
The Center for Strategic and International Studies	Unstated	2007	191,407	278,344
Council on Foreign Relations	Unstated	2007	141,140	205,246
The European Institute	Hold high-level meetings on the issues of security, energy, and the transatlantic economy	2009	175,000	254,485
The European Institute	Unstated	2007	140,000	203,588
The German Marshall Fund of the United States	Establish a high-level “Brussels Forum” of EU and U.S. officials	2009	200,000	290,840
The German Marshall Fund of the United States	Unstated	2007	100,000	145,420
Heinrich Böll Foundation	Promote climate change awareness to economically disadvantaged regions of the U.S.	2009	200,000	290,840
Johns Hopkins University, School of Advanced International Studies	Multiple Policy Initiatives	2009	200,000	290,840
Johns Hopkins University, School of Advanced International Studies	Unstated	2007	200,000	290,840
Middle East Institute	Highlight the plight of Iraqi refugees	2009	194,688	283,115
Migration Policy Institute Corporation	Unstated	2007	104,105	151,389
National Democratic Institute	Democracy assistance coordination	2009	105,368	153,226
Peterson Institute	Disseminate economic multipolarity	2009	200,000	290,840
Peterson Institute	“The Euro at 10”	2008	200,000	290,840
Woodrow Wilson International Center	Establish a working group on the Western Balkans	2009	171,138	248,869
Total			€3,404,286	\$4,950,513

Source: All figures have been assembled by the author from the European Commission’s Financial Transparency System. The commitment position key of each expenditure is contained elsewhere in this *Special Report*.

Table I • SR 92  heritage.org

37. DevelopmentPortal.eu, “Financing Instrument for Co-operation with Industrialized (ICI) and Other High-Income Countries and Territories,” at <http://www.developmentportal.eu/wcm/information/guide-on-eu-development-co-operation/legal-basis-of-eu-development-policy/secondary-legislation/legal-framework-of-eu-external-assistance-2007-2013/instrument-for-co-operation-with-industrialized-ici.html> (April 29, 2011).

Congress Should Investigate EU Advocacy in the United States

funded from the specific budget line “Cooperation with industrialised non-member countries.” It was financed by the EU at 100 percent. The promotional material advertising this conference stated, somewhat prematurely: “The euro recently celebrated the tenth anniversary of its successful launch on January 1, 1999. In the midst of the current financial crisis, the world’s only transnational major currency has delivered price stability to the eurozone and has retained its value in international markets.”³⁸

*Johns Hopkins University, School of Advanced International Studies, Center for Transatlantic Relations (SAIS).*³⁹ SAIS received €200,000 (\$290,840) in PRD funding in 2009 (for 2010–2011 activities). SAIS was tasked with organizing policy initiatives in multiple issue areas including international law, conflict prevention and management, transatlantic economic relations, and energy security. This project was co-financed by the EU at 66.67 percent.

SAIS had already received €200,000 (\$290,840) in 2007, under the ICI, specifically for “Cooperation with industrialized non-member countries.” This project was co-financed by the EU at 50 percent. No subject of the grant was given.⁴⁰

The German Marshall Fund of the United States. The German Marshall Fund received two separate grants from the European Commission totaling €300,000 (\$436,260). In 2007, €100,000 (\$145,420) was allocated under the ICI, specifically for “Cooperation with industrialized non-member countries.” The subject of the grant was not given. The EU funded the unidentified project at 9.99 percent.⁴¹

In 2009, the German Marshall Fund received €200,000 (\$290,840) in PRD money (for 2010–2011 activities) and was tasked with holding an annual “Brussels Forum” of high-level EU and U.S. officials. This project was funded by the EU at 25.76 percent.⁴²

*Heinrich Böll Foundation.*⁴³ The U.S. office of this German political foundation (which is associated with the Green Party)⁴⁴ received €200,000 (\$290,840) in 2009 from the PRD (for 2010–2011). The Böll Foundation was tasked with “Build[ing] a transatlantic climate network to provide the framework conditions for maximizing policy exchanges and mutual learning, focusing on convincing economically disadvantaged regions of the US and EU to see climate change as a priority and job creation opportunity. To include expert tours, policy roundtables, and publications, with the cooperation of several EU and US based partners.” The EU co-financed the project at 66.6 percent.⁴⁵

Brookings Institution. The Washington-based think tank—which has an annual budget of \$80 million—received three grants from the EU between 2007 and 2009 totaling €398,265 (\$579,157).

Brookings received €198,735 (\$289,000) in PRD funding in 2009 (for 2010–2011). Brookings was tasked with producing papers and hosting conferences on global energy issues. The EU co-financed the project at 69.12 percent.⁴⁶

In 2009, Brookings also received €4,420 (\$6,428)—a portion of a grant which totaled €35,698 (\$51,912). Brookings was just one of 17 partners who shared the total grant. The grant was funded by the European Commission’s External Relations Department. The largest grant recipient was the Belgium-based catering company Compass Group which received €19,843 (\$28,856).⁴⁷

38. Adam S. Posen, Jean Pisani-Ferry, and Marco Buti, “The Euro at Ten: The Next Global Currency?” Discussion hosted by the Peterson Institute for International Economics, April 23, 2009, at http://www.piie.com/events/event_detail.cfm?EventID=110 (April 27, 2011).

39. Commitment position key: SI2.545813.1.

40. Commitment position key: SI2.485638.1.

41. Commitment position key: SI2.488972.1.

42. Commitment position key: SI2.545807.1.

43. Commitment position key: SI2.546074.1.

44. In Germany, political parties have their own foundations: The Green Party’s foundation is the Heinrich Böll Stiftung; the CDU’s foundation is the Konrad Adenauer Stiftung; the SPD’s foundation is the Friedrich Ebert Stiftung; the FDP’s foundation is the Friedrich Naumann Stiftung; the CSU’s foundation is the Hanns Seidel Stiftung.

45. Germany’s Heinrich Böll Stiftung (Foundation) is a favored EU think tank and received multiple grants from the European Commission totaling well over €1 million. However, only expenditures inside the U.S. have been included in this *Special Report*.

46. Commitment position key: SI2.546152.1.

47. Commitment position key: SI2.517155.1.

In 2007, €195,110 (\$283,729) was allocated to Brookings from the ICI, although no subject of the grant was given. The EU funded the unidentified project at 46.95 percent.⁴⁸

*Middle East Institute.*⁴⁹ The Middle East Institute received €194,688 (\$283,115) in PRD funding in 2009 (for 2010–2011). The institute was tasked with drawing attention to the plight of Iraqi refugees, and highlighting the challenges of the United Nations High Commissioner for Refugees. The institute pledged to “bring EU and US policy makers together through a series of off the record workshops, briefing sessions and a seminar.” The EU funded the project at 71.58 percent.

*The Center for Strategic and International Studies (CSIS).*⁵⁰ In 2007, €191,407 (\$278,344) was allocated to the Washington, D.C.–based think tank under the ICI, specifically for “Cooperation with industrialized non-member countries.” The subject of the grant was not given. The unidentified project was co-financed by the EU at 50 percent.⁵¹

*Bertelsmann Foundation.*⁵² In 2009, €178,755 (\$259,946) was allocated to the Washington D.C.–based Bertelsmann Foundation (the U.S. arm of the German media conglomerate) in PRD funding (for 2010–2011). Bertelsmann was tasked with establishing an exchange fellowship between 10 staffers from the U.S. Congress and 10 staffers from the European Parliament, and facilitating better cooperation between staff of the two legislative bodies. The EU funded the project at 71.39 percent.⁵³

The European Institute (EI). This Washington-based public policy organization received two EU grants totaling €315,000 (\$458,073). In 2007, EI received €140,000 (\$203,588) from the ICI, specifically for “Cooperation with industrialized non-member countries.” The subject of the grant was not given, and the EU funded the unidentified project at 38.73 percent.⁵⁴

In 2009, EI received an additional €175,000 (\$254,485) from the PRD (for 2010–2011). EI was tasked with engaging the Administration and Congress, and holding high-level meetings on the issues of security, energy, and the transatlantic economy. The EU funded the project at 49.45 percent.⁵⁵

*Woodrow Wilson International Center.*⁵⁶ The Woodrow Wilson Center received €171,138 (\$248,869) of PRD funding (for 2010–2011), to establish a working group on transatlantic cooperation in the Western Balkans. The EU funded the project at 73.55 percent.

Atlantic Council of the United States. The Council received two EU grants totaling €249,420 (\$362,707). In 2007, €152,727 (\$222,096) was granted from the ICI, specifically for “Cooperation with industrialized non-member countries.” The subject of the grant was not given. The EU funded the unidentified project at 49.99 percent.⁵⁷

In 2009, the Atlantic Council also received €96,693 (\$140,611) from the PRD (for 2010–2011). The council was specifically tasked with holding high-level workshops and producing publications “to further a transatlantic dialogue on international law with emphasis on the closing of Guantanamo and detainee/rendition policy.” The EU funded the project at 73.8 percent.⁵⁸

48. Commitment position key: SI2.486328.1.

49. Commitment position key: SI2.549144.1.

50. Commitment position key: SI2.485974.1.

51. Two minor payments to CSIS are also recorded in separate commitment position keys: €326 (BCC.022670.2), and €17.19 (BCC.022670.1).

52. Commitment position key: SI2.547915.1.

53. The German Bertelsmann Stiftung also received a portion of a second grant totaling €3.04 million (\$4.35 million) allocated from the FP7. Commitment position key: CPM.238646-389005.1.

54. Commitment position key: SI2.486330.1.

55. Commitment position key: SI2.547669.1.

56. Commitment position key: SI2.546330.1.

57. Commitment position key: SI2.486331.1.

58. Commitment position key: SI2.546736.1.

*Council on Foreign Relations.*⁵⁹ In 2007, €141,140 (\$205,246) was allocated to the Washington, D.C.–based think tank from the ICI, specifically for “Cooperation with industrialized non-member countries.” The subject of the grant was not given. The EU funded the unidentified project at 34.54 percent.

*National Democratic Institute (NDI).*⁶⁰ The Washington-based Institute received €105,368 (\$153,226) in PRD funding in 2009 (for 2010–2011) for the purposes of “engaging US and EU democracy assistance policymakers to explore best practices.” The EU funded the project at 72.83 percent.

*Migration Policy Institute Corporation.*⁶¹ In 2007, €104,105 (\$151,389) was allocated in this Washington-based non-profit from the ICI, specifically for “Cooperation with industrialized non-member countries.” The subject of the grant was not given. The EU funded the unidentified project at 47.9 percent.

*Carnegie Endowment for International Peace.*⁶² In 2007, €55,000 (\$79,981) was allocated to the private, non-profit organization although no subject of the grant is given. It was funded by the External Relations department, specifically from the “Information programmes for non-member countries” budget. It was 100 percent financed by the EU.

Teaching the EU in the U.S.: €3.9 million (\$5.7 million). The FTS reveals that at least €3.9 million (\$5.7 million) was committed by the European Commission to educational expenditures inside the U.S. from 2007 to 2009. The EU’s largest educational funding stream is its €3.42 million (\$4.98 million) EU Centers of Excellence (EUCE) in the U.S. program (for 2008–2011), which promotes educational instruction on the EU inside the U.S.⁶³ EUCE is administered by the EU delegation in Washington, D.C., and is considered a public diplomacy program as opposed to an academic program.⁶⁴ The centers provide syllabi for academic institutions, hold conferences, and even provide K-12 lesson plans that incorporate the EU’s take on political, social, and cultural issues.⁶⁵ A number of other educational activities were funded by the EU in addition to its EUCE program, including the Jean Monnet Program for understanding European integration, and the Euro Challenge annual competition for high school students.

EU Centers of Excellence in the U.S. Currently, 10 U.S. institutions are designated as EU Centers of Excellence and receive funding for activities taking place from 2008 to 2011:⁶⁶

1. University of California, Berkeley: €298,384 (\$433,910)⁶⁷
2. University of Colorado: €299,757 (\$435,907)⁶⁸
3. Florida International University and the University of Miami: €298,221 (\$433,673)⁶⁹
4. Georgia Tech: €300,000 (\$436,260)⁷⁰
5. University of Michigan: €276,499 (\$402,085)⁷¹
6. University of North Carolina: €419,884 (\$610,595)⁷²

59. Commitment position key: SI2.486332.1.

60. Commitment position key: SI2.546977.1.

61. Commitment position key: SI2.486682.1.

62. Commitment position key: SI2.473709.1.

63. This amount does not include the €295,258 (\$429,364) allocated to the University of Texas at Austin, which is listed on the FTS database, but not on the European Commission’s EUCE Web site.

64. European Union, “Network of European Union Centers of Excellence,” at <http://euce.org/about/> (April 27, 2011).

65. *Ibid.*, “Educational materials,” at <http://euce.org/education/> (April 27, 2011).

66. *Ibid.*, “U.S. EUCE Sites,” at <http://euce.org/centers/index.php#aces> (April 27, 2011).

67. Commitment position key: SI2.506426.1.

68. Commitment position key: SI2.505988.1.

69. Commitment position key: SI2.506224.1.

70. Commitment position key: SI2.505846.1.

71. Commitment position key: SI2.505703.1.

72. Commitment position key: SI2.505986.1.

7. University of Pittsburgh: €300,000 (\$436,260)⁷³
8. University of Washington (Seattle): €299,691 (\$435,811)⁷⁴
9. University of Wisconsin: €300,000 (\$436,260)⁷⁵
10. Washington, D.C., Consortium (American University, George Mason University, George Washington University, Georgetown University, The Johns Hopkins University): €288,565 (\$419,631)⁷⁶

European Union Contributions to U.S. Colleges and Universities

(Excluding research grants)

Recipient Institution	Project Description	Year Allocated	Euro Amount	Dollar Amount
EU Studies Association	Lifelong learning	2008	47,642	69,281
Florida International University and the University of Miami	EU Center of Excellence in the U.S. (2008–2011)	2008	298,221	433,673
George Mason University	Jean Monnet Programmes	2009	44,665	65,148
Georgia Tech	EU Center of Excellence in the U.S. (2008–2011)	2008	300,000	436,260
NAFSA—Association of International Educators	NAFSA Annual Conference	2009	24,329	35,379
Scripps College	Jean Monnet Programmes	2009	45,000	65,637
Temple University	Jean Monnet Programmes	2009	43,794	63,878
Texas A & M University	Jean Monnet Programmes	2009	21,000	30,538
The University of Florida	Jean Monnet Programmes	2009	21,000	30,538
The University of Florida	Jean Monnet Programmes	2007	20,825	30,375
The University of Florida	Jean Monnet Center of Excellence	2007	74,305	108,381
The University of Wisconsin	Jean Monnet Programmes	2007	21,000	30,538
University of California—Berkeley	EU Center of Excellence in the U.S. (2008–2011)	2008	298,384	433,910
University of Colorado	EU Center of Excellence in the U.S. (2008–2011)	2008	299,757	435,907
University of Michigan	EU Center of Excellence in the U.S. (2008–2011)	2008	276,499	402,085
University of North Carolina	EU Center of Excellence in the U.S. (2008–2011)	2008	419,884	610,595
University of Pittsburgh	EU Center of Excellence in the U.S. (2008–2011)	2008	300,000	436,260
University of Texas	EU Center of Excellence in the U.S. (2008–2011)	2008	295,258	429,364
University of Washington (Seattle)	EU Center of Excellence in the U.S. (2008–2011)	2008	299,691	435,811
University of Wisconsin	EU Center of Excellence in the U.S. (2008–2011)	2008	300,000	436,260
University of Pittsburgh	Jean Monnet Programmes	2009	21,000	30,538
Washington, D.C., consortium*	EU Center of Excellence in the U.S. (2008–2011)	2008	288,565	419,631
Winner of the Euro Challenge 2008 (airfare)	Euro Challenge 2008	2007	5,000	7,271
Working in Support of Education	Euro Challenge 2008	2007	60,000	87,252
Working in Support of Education	Euro Challenge 2009	2008	60,000	87,252
Georgia Council on Economic Education Cooperation	EU lesson plans for secondary school teachers	2009	22,682	32,984
Totals			€3,908,501	\$5,684,746

* American University, George Mason University, George Washington University, Georgetown University, and The Johns Hopkins University.

Source: All figures have been assembled by the author from the European Commission's Financial Transparency System. The commitment position key of each expenditure is contained elsewhere in this *Special Report*.

Table 2 • SR 92  heritage.org

73. Commitment position key: SI2.505987.1.

74. Commitment position key: SI2.506412.1.

75. Commitment position key: SI2.505813.1.

Congress Should Investigate EU Advocacy in the United States

Although it is not listed as an EUCE on the European Commission's Web site, the FTS states that in 2008, the University of Texas at Austin was also allocated €295,258 (\$429,364) for EUCE activities (for 2008–2011).⁷⁷

Jean Monnet Programme. Six U.S. universities were selected to participate in the European Commission's Jean Monnet Programme in 2009, which “stimulates teaching, research and reflection on European integration in higher education institutions worldwide.”⁷⁸

1. Temple University: €43,794 (\$63,878)⁷⁹
2. George Mason University: €44,665 (\$65,148)⁸⁰
3. The University of Florida: €21,000 (\$30,538)⁸¹
4. Texas A&M University: €21,000 (\$30,538)⁸²
5. Scripps College: €45,000 (\$65,637)⁸³
6. University of Pittsburgh: €21,000 (\$30,538)⁸⁴

Three further FTS records exist for Jean Monnet grants that were allocated to U.S. institutions in 2007. The University of Wisconsin received €21,000 (\$30,538) to teach a module titled “The European Information Society in a Global Context”;⁸⁵ the University of Florida received €20,825 (\$30,375) to teach a module titled “European Economic Integration: Politics and Policy”;⁸⁶ and the University of Florida further received €74,305 (\$108,381) for hosting a Jean Monnet Center of Excellence.⁸⁷

*European Union Studies Association.*⁸⁸ In 2008, €47,642 (\$69,281) was allocated to this Pittsburgh-based association by the European Commission's Education, Audiovisual and Culture Executive Agency (EACEA) department, specifically from the “Lifelong learning programme” budget line. No details are given on this grant. The unidentified grant was co-financed by the EU at 42.11 percent.

*NAFSA—Association of International Educators.*⁸⁹ In 2009, €24,329 (\$35,379) was allocated for the EU's participation in the 2010 NAFSA Annual Conference in Kansas City. NAFSA is a Washington, D.C.–based organization that specializes in promoting international education. It is unclear how many people attended the 2010 conference. The Education and Culture department paid the expense from the budget line “Cooperation with non-member countries on education and vocational training—Expenditure on administrative management.”

*Euro Challenge.*⁹⁰ In 2007, €60,000 (\$87,252) was allocated to the New York–based organization *Working in Support of Education* to administer the Euro Challenge 2008. The Economic and Financial Affairs department allocated the funds from the budget line “Prince—Communication on economic and monetary union, including the Euro.” PRINCE is the European Commission's Information Programme of the European Citizen—meant to focus on providing information to “European citizens” about the euro.

76. Commitment position key: SI2.506111.1.

77. Commitment position key: SI2.506425.1.

78. The Jean Monnet Actions are part of the European Commission's Lifelong Learning Programme. European Commission Education & Training, “The Jean Monnet Programme: Understanding European Integration,” at http://ec.europa.eu/education/lifelong-learning-programme/doc88_en.htm (April 27, 2011).

79. Commitment position key: D45.B0909.003414.1.

80. Commitment position key: D45.B0909.003313.1.

81. Commitment position key: D45.B0909.003499.1.

82. Commitment position key: D45.B0909.004348.1.

83. Commitment position key: D45.B0909.003383.1.

84. Commitment position key: D45.B0909.003473.1.

85. Commitment position key: D45.B0707.002706.1.

86. Commitment position key: D45.B0707.002066.1.

87. Commitment position key: D45.B0707.002065.1.

88. Commitment position key: D45.D0808.003022.1.

89. Commitment position key: D45.B0909.004363.1.

90. Commitment position key: SI2.479715.1.

The Euro Challenge is a 100 percent EU-financed project targeting American high school students. They compete in a challenge to learn and convey information about the euro. A financial prize is given along with a trip to Washington, D.C.; €5,000 (\$7,271) was allocated for air travel for the Euro Challenge Competition for 2008, paid to the Washington, D.C.–based company, *Around the World Travel, Inc.*⁹¹

A further €60,000 (\$87,252) was allocated in 2008 for the same Euro Challenge project to occur in 2009.⁹² The Euro Challenge is now an annual event with its own dedicated Web site.⁹³

*Production of EU Lesson Plans for Secondary School Teachers in USA.*⁹⁴ In 2009, €22,682 (\$32,984) was allocated to the Georgia Council on Economic Education Cooperation to produce lesson plans on the EU for U.S. students. This expense was funded by the External Relations department, specifically the budget line “Information programmes for non-member countries.”

Getting to Know Europe: €1.8 Million (\$2.7 Million). The FTS records two separate groups of payments for the “Getting to Know Europe” program (for 2008–2009 and 2011–2012).⁹⁵ U.S.-based non-governmental, non-profit organizations are selected to “promote a greater knowledge of the EU within local and regional communities around the US.” These programs are also designed to promote the EU’s role as “an international actor in the economic and political field.”⁹⁶

Getting to Know Europe (2008–2009). Ten institutions received a total of €859,533 (\$1.3 million) between them:

1. The Foreign Policy Association: €100,000 (\$145,420)⁹⁷
2. The Southern Center for International Studies: €60,313 (\$87,707)⁹⁸
3. The University of Illinois: €100,000 (\$145,420)⁹⁹
4. The University of Oklahoma: €92,718 (\$134,831)¹⁰⁰
5. Boston University: €99,982 (\$145,834)¹⁰¹
6. World Affairs Council of Pittsburgh: €98,840 (\$144,168)¹⁰²
7. Texas A&M Research Foundation: €97,686 (\$142,485)¹⁰³
8. Vanderbilt University: €92,994 (\$135,641)¹⁰⁴
9. Chapel Hill Carrboro City Schools: €67,000 (\$97,726)¹⁰⁵
10. Concordia College Corporation: €50,000 (\$72,930)¹⁰⁶

91. Commitment position key: SI2.497515.1.

92. Commitment position key: SI2.509670.1.

93. Euro Challenge, at <http://www.euro-challenge.org/news/> (April 27, 2011).

94. Commitment position key: SI2.545508.1.

95. A third iteration of “Getting the Know Europe” took place according to the EU, but those figures are unavailable through the FTS and therefore not included in this report.

96. “Washington Delegation Grant Programs.”

97. Commitment position key: SI2.514329.1.

98. Commitment position key: SI2.514061.1.

99. Commitment position key: SI2.514064.1.

100. Commitment position key: SI2.514491.1.

101. Commitment position key: SI2.514065.1.

102. Commitment position key: SI2.514322.1.

103. Commitment position key: SI2.514490.1.

104. Commitment position key: SI2.514826.1.

105. Commitment position key: SI2.514803.1.

106. Commitment position key: SI2.514048.1.

Getting to Know Europe (2011–2012). Eleven institutions received a total of €985,019 (\$1.43 million) between them:¹⁰⁷

1. Old Dominion University Research Foundation: €98,998 (\$143,963)
2. Cornell University: €95,000 (\$138,149)

European Union Contributions for the Purpose of “Getting to Know Europe”

Recipient Institution	Project Description	Years Administered	Euro Amount	Dollar Amount
Boston University	Getting to Know Europe 2008–2009	2008–2009	99,982	145,834
Center for Education in Law and Democracy	Learn how European democracies compare with American democracy	2011–2012	59,189	86,073
Chapel Hill Carrboro City Schools	Getting to Know Europe 2008–2009	2008–2009	67,000	97,726
Concordia College Corporation	Getting to Know Europe 2008–2009	2008–2009	50,000	72,930
Cornell University	Educate rural communities in central New York about the EU	2011–2012	95,000	138,149
Five Colleges, Inc.	Use rivers as a motif to showcase EU policy solutions to post-industrial urban problems	2011–2012	100,000	145,420
Friends of British Council	Showcase the EU Youth Orchestra by holding concerts in major concert halls in five U.S. cities, open rehearsals, and smaller concerts	2011–2012	100,000	145,420
Indiana University	Integrate the EU into “Midwestern Thinking and Practice,” including a 5-day study tour of Brussels for local government officials	2011–2012	97,612	141,947
Montana World Trade Center	A series of conferences on the EU	2011–2012	100,000	145,420
Old Dominion University Research Foundation	Create a community-based foundation for communicating the EU mission	2011–2012	98,998	143,963
R. D. and Euzelle P. Smith Middle School	Organize a student exchange between middle school in North Carolina and Belgian middle school	2011–2012	77,428	112,596
Rutgers University	Raise awareness about the EU in New Jersey among business leaders, government officials, K–12 educators, and the general public	2011–2012	59,184	86,065
Texas A & M	Getting to Know Europe 2008–2009	2008–2009	97,686	142,485
The Foreign Policy Association	Getting to Know Europe 2008–2009	2008–2009	100,000	145,420
The Southern Center for International Studies	Getting to Know Europe 2008–2009	2008–2009	60,313	87,707
University of Illinois	Getting to Know Europe 2008–2009	2008–2009	100,000	145,420
University of Illinois	“How to seek Sustainable and Secure Connections in Food, Energy and Governance”	2011–2012	99,995	145,413
University of Oklahoma	Getting to Know Europe 2008–2009	2008–2009	92,718	134,831
Vanderbilt University	Getting to Know Europe 2008–2009	2008–2009	92,994	135,641
World Affairs Council of Pittsburgh	Promote the EU to secondary school teachers, students and professionals in western Pennsylvania	2011–2012	97,613	141,949
World Affairs Council of Pittsburgh	Getting to Know Europe 2008–2009	2008–2009	98,840	144,168
Totals			€1,844,552	\$2,684,577

Source: All figures have been assembled by the author from the European Commission’s Financial Transparency System. The commitment position key of each expenditure is contained elsewhere in this *Special Report*.

Table 3 • SR 92  heritage.org

107. European Union, “Delegation Grant Programs: Awards for Grant Competition 2011–2012, Getting to Know Europe—Local Communities and the European Union,” at http://www.eurunion.org/2011_12_GTKE_grants_and_awards_FINAL.doc (April 27, 2011).

3. World Affairs Council of Pittsburgh: €97,613 (\$141,949)
4. Indiana University: €97,612 (\$141,947)
5. Five Colleges, Inc.: €100,000 (\$145,420)
6. Center for Education in Law and Democracy: €59,189 (\$86,073)
7. Rutgers University: €59,184 (\$86,065)
8. R. D. and Euzelle P. Smith Middle School: €77,428 (\$112,596)
9. Montana World Trade Center: €100,000 (\$145,420)
10. University of Illinois: €99,995 (\$145,413)
11. Friends of British Council: €100,000 (\$145,420)

Unidentified Recipients: €6.8 Million (\$9.9 Million). A “natural person” is a human being, as opposed to an “artificial person” which would be a corporation or organization. The EU has allocated a number of high-value grants to unidentified natural persons inside the U.S. from a variety of its budget lines including its foreign policy budgets. U.S. congressional leaders should investigate these payments and ensure that they are consistent with U.S. laws and America’s broader interests.

“*Natural Person.*”¹⁰⁸ In 2007, €2.45 million (\$3.57 million) was allocated to an unidentified “natural person” by the European Commission’s External Relations department, specifically from the Common Foreign and Security Policy’s Special Representatives fund. This was a project financed 100 percent by the EU and no subject of the grant or contract is given.

“*Confidential.*”¹⁰⁹ In 2009, €410,000 (\$596,222) was allocated to a confidential recipient by the EuropeAid Cooperation Office, under the European Neighbourhood and Partnership Instrument. The money was taken specifically from the “Financial cooperation with the Mediterranean countries” budget line. The subject of the grant was given as “confidential.” Its action location, the address of the beneficiary, and level of co-financing are not given.

Again in 2009, a further €1.09 million (\$1.59 million) was allocated to a confidential recipient by the same department, under the same budget line. Its commitment position key is identical, and identified as a second grant to the same confidential source by the last digit.¹¹⁰

“*Confidential.*”¹¹¹ In 2007, €960,520 (\$1.4 million) was allocated to a confidential recipient by the EuropeAid Cooperation Office, specifically from the “food security” budget line. The subject of the grant was given as “confidential.” Its action location and the address of the beneficiary are not given. This was a project co-financed at 84.67 percent by the EU.

The European Commission funded a total of seven U.S.-administered food security projects (2007–2009) totaling €12.9 million (\$19.1 million)—including the one outlined above.¹¹² The majority of these projects were administered by third parties including the U.N., the United States Conference of Catholic Bishops, and the Inter-American Development Bank, for projects related to Africa, Haiti, and other impoverished regions. It is unusual to see such little information for a project where the EU traditionally flaunts its generosity.

“*Confidential.*”¹¹³ In 2008, €720,000 (\$1.05 million) was confidentially allocated to a confidential recipient by the EuropeAid Cooperation Office, specifically from the EIDHR budget line. The subject of the grant was given as “confidential.” Its action location and the address of the beneficiary are not given. This was a project co-financed at 52.55 percent by the EU.

108. Commitment position key: SI2.461192.1.

109. Commitment position key: SCR.CTR.228982.02.1.

110. Commitment position key: SCR.CTR.228982.02.2.

111. Commitment position key: SCR.651076.1.

112. Commitment position keys: SCR.651076.1; SCR.CTR.228287.01.1; SCR.CTR.199927.02.1; SCR.CTR.223149.01.1; SCR.639563.1; SCR.718636.1; and SCR.698047.1.

113. Commitment position key: SCR.712425.1.

“*Financing of the Operating Costs of the ECHO Offices on the Ground in Russia.*”¹¹⁴ In 2008, €650,000 (\$945,230) was allocated between five separate confidential sources, one of which was the European Commission. The grant was allocated from the European Commission Humanitarian Aid department, specifically from the budget line of the same name. This was a 100 percent EU-financed project where the country or territory involved was classified as “Commission Department.” It also involved partners in France, Germany, Belgium, and the U.S.

“*Confidential.*”¹¹⁵ In 2009, €400,000 (\$581,680) was allocated to a confidential recipient by the European Commission’s External Relations department, specifically from the budget line “Crisis response and preparedness (Instrument for Stability).” The subject of the grant was given as “confidential.” The address of the beneficiary is not given and the location of the action was classed as confidential. This project was 100 percent financed by the EU.

“*Confidential.*”¹¹⁶ In 2009, €85,000 (\$125,996) was allocated to a confidential recipient by the European Commission’s Economic and Financial Affairs Department, specifically from the budget line “other management expenditures.” The subject of the grant was given as “study on resilience of emerging market economies to financial and economic developments in advance (*sic*) economies.” The name and address of the beneficiary is not given.

“*Confidential.*”¹¹⁷ In 2009, €8,573 (\$12,467) was allocated to a confidential recipient by the European Commission’s Economic and Financial Affairs department, specifically from the budget line “Coordination and Surveillance of economic and monetary union.” The subject of the grant is given as “Visiting fellows programme 2009 07–22/09/09–Proliferation of systemic risk and macroeconomic policy responses in the EU Member States.” Its action location, the address of the beneficiary, and its co-financing rate are not given.

Lucjan T. Orłowski, professor of economics at Sacred Heart University, has authored a study in which he acknowledges having received a grant from the European Commission for his work, stating that he was a visiting fellow at the European Commission in September 2009 “under VFP contract number 180/2009/SI2.538776”—which is the same commitment key position given for this confidential grant.¹¹⁸

“*Natural Person.*”¹¹⁹ In 2008, €5,000 (\$7,271) was allocated to a “natural person,” by the European Commission’s Regional Policy department, specifically from the “Cohesion fund.” The subject of the grant was: “Seminar ‘Expert hearing on the future of European cohesion policy and social inclusion’ 19/09/2008.”

The online agenda of this hearing states that “the question will be discussed how to combine the territorial agenda of cohesion policy and the social agenda which emphasizes individuals’ personal features.”¹²⁰ A list of participants is given on the agenda.

114. Commitment position key: SI2.504758.1.

115. Commitment position key: SCR.CTR.215402.01.1.

116. Commitment position key: SI2.538646.1.

117. Commitment position key: SI2.538776.1.

118. Lucjan T. Orłowski, “Proliferation of Tail Risks and Policy Responses in the EU Financial Markets,” *European Economy Economic Papers* No. 416, June 2010, at http://ec.europa.eu/economy_finance/publications/economic_paper/2010/pdf/ecp416_en.pdf (April 27, 2011).

119. Commitment position key: FED263257.1.

120. European Commission, “Hearing on Cohesion Policy and Social Inclusion,” Report Hearing Paper No. 3, September 19, 2008, at http://ec.europa.eu/regional_policy/policy/future/pdf/3_hearing_on_cohesion_policy_and_social_inclusion_19-09-08.pdf (April 27, 2011).

PART II

Particular Concerns for EU Member State Governments and Parliamentarians

Luxury Hotels and BMWs: €2.3 Million (\$3.3 Million).

*Peninsula New York.*¹²¹ In 2009, €28,050 (\$40,790) was committed for the luxury Fifth Avenue hotel from the “policy coordination and legal advice” budget line. Additional travel expenditures from Belgium-based companies were included in this commitment position key which totaled €2.3 million (\$3.35 million), including American Express Corporate Travel (€1.39 million / \$2.03 million); Carlson Wagonlit Travel Company (€600,898 / \$873,826); and Abelag Aviation, which describes itself as a premier private jet company (€249,460 / \$362,765).

*New York and California Real Estate and Realty Fees.*¹²² In just one of several expenditures under the External Relations Administrative expenditures for “buildings and related expenditure of the delegations of the Commission of the European Communities,” €1.02 million (\$1.48 million) was spent in 2009 on various pieces of real estate, realtors’ fees, and parking spaces. New York and California addresses are given for the various beneficiaries including €80,961 (\$117,733) for 40 Park Avenue, LLC; €113,695 (\$165,335) for Anniski, LLC; €144,798 (\$210,565) for Donna Dixon Aykroyd; and €68,462 (\$99,557) for River Place I Holdings, LLC.

In 2009, a further €164,727 (\$239,546) was authorized for a series of additional realty charges and hotel expenses, including €6,385 (\$9,285) for the exclusive “premier all-suite hotel” Washington Suites Hotel, located in Georgetown in Washington, D.C.¹²³

*The EU’s New K Street Embassy in Washington, D.C.*¹²⁴ In 2009, €933,055 (\$1.36 million) was paid to let the EU mission move into its new headquarters at the prestigious 2175 K Street location. The new Delegation Headquarters was appropriated from the External Relations Administrative budget for “buildings and related expenditure of the delegations of the Commission of the European Communities.”¹²⁵

*The Juilliard School, the New York Public Library, and a Fine-Wine Shop.*¹²⁶ In 2009, €52,743 (\$76,697) was allocated by the External Relations department of the European Commission, from the budget line “Other management expenditure of the delegations of the Commission of the European Communities,” for an unidentified event or project. The delegations of the Commission of the European Communities are otherwise known as the EU embassies and consulates around the world. The beneficiaries paid from this invoice were Bestype Digital Imaging, a promotional materials company, (€671 / \$976); M. Kohles and Associates, an insurance company (€1,654 / \$2,405); Sherry–Lehmann’s, a New York fine-wine shop (€1,689 / \$2,456); the Juilliard School (€1,285; \$1,869); the New York Public Library (€21,182 / \$30,803); and Elderberry Catering, whose Web site boasts that its past clients include the U.N. Secretary-General and the former German Chancellor Gerhard Schroeder (€26,261 / \$38,189).

*The Waldorf-Astoria and the New York Public Library.*¹²⁷ In 2009, €7,563 (\$10,998) was spent at the Waldorf, and a further €2,165 (\$3,131) at the New York Public Library. The money came from the EU’s External Relations

121. Commitment position key: SI2.515842.1.

122. Commitment position key: BCC.019587.1.

123. Commitment position key: BCC.019591.1.

124. Commitment position key: SI2.523958.1.

125. A further €5,335 (\$7,758) was paid to Monarc Construction, Inc., at the same time.

126. Commitment position key: BCC.020627.1.

127. Commitment position key: SI2.528620.1.

budget, specifically the “Information programmes for non-member countries” budget line. The expenditures were contained in an invoice totaling €28,220 (\$41,038)—which also included €1,490 (\$2,167) for an unidentified U.S. “natural person” and €11,745 (\$17,080) for an Italian printing company (Reggiani Spa).

*BMW Financial Services.*¹²⁸ In 2009, €14,760 (\$21,464) was paid by the “Buildings and related expenditure of the delegations of the Commission of the European Communities,” on BMW Financial Services, LLC, based in Ohio. This charge was included in an invoice totaling €50,207 (\$73,011) for various transport-related expenses. Other expenditures within this invoice include Admiral Limousine Transportation Service (€6,611 / \$9,614); Alexandria Volkswagen Partnership (€1,006 / \$1,463); Standard Leasing Corps (€5,393 / \$7,843); and Victorious, Inc., Nationwide Limo Services (€3,370 / \$4,901).

A separate invoice states that a further €777 (\$1,130) was spent at the same BMW Financial Services, along with additional minor expenditures at the limo and leasing companies mentioned above. However, those monies were taken from the EU’s research budget for “other management expenditure for research,” despite sharing a near-identical commitment position key.¹²⁹

Publicity, PR, and Propaganda: €671,150 (\$976,036).

*The Washington Post.*¹³⁰ €55,302 (\$80,420) was allocated by the External Relations Department, specifically the budget line: “Information programmes for non-member countries.” The subject of the grant was “2010 National Publicity and Awareness-Raising Activities: EU Focus.”¹³¹ *EU Focus* is a bimonthly newsletter produced by the Delegation of the European Union to the United States. It is available online free and subscribers can sign up for e-mail alerts.¹³² This publicity exercise was done again in 2009 at a cost of €50,000 (\$72,710).¹³³

*The Congressional Quarterly.*¹³⁴ In 2007, €55,000 (\$79,981) was allocated to the *Congressional Quarterly* for an unidentified project. It was funded by the External Relations Department, specifically the budget line: “Information programmes for non-member countries.” It was 100 percent financed by the EU.

*The Hill (Newspaper).*¹³⁵ In 2008, €49,997 (\$72,706) was allocated for a “Specialized Capitol Hill Outreach Program: Distribution of EU Insight.” It was funded by the External Relations department, specifically from the budget line “Information programmes for non-member countries.” A further €55,300 (\$80,417) was allocated in 2009 to repeat this exercise from the same budget line, both of which were 100 percent financed by the EU.¹³⁶

*Direct Mail.*¹³⁷ In 2007, €49,872 (\$72,524) was allocated to a direct mail company identified as “Envelopes Unlimited, Inc.” No subject of the grant or contract was given. This contract was funded by the External Relations department, specifically the budget line “Information programmes for non-member countries.” This was a 100 percent EU-financed project.

*EU Promotional Items.*¹³⁸ In 2008, €49,806 (\$72,428) was paid to the Minnesota-based Creative Resources Agency for the production of EU promotional items. This contract was funded by the External Relations department, specifically from the budget line “Information programmes for non-member countries.” This was a 100 percent EU-financed project.¹³⁹

128. Commitment position key: BCC.022671.2.

129. Commitment position key: BCC.022671.1.

130. Commitment position key: SI2.552144.1.

131. The money was committed in 2009 for activities in 2010.

132. European Union External Action, “*EU Focus* and *EU Insight*,” at <http://www.eurunion.org/eu/EU-Focus-and-EU-Insight/EU-Newsletters-EU-Focus-and-EU-Insight.html> (April 27, 2011).

133. Commitment position key: SI2.521845.1.

134. Commitment position key: SI2.473710.1.

135. Commitment position key: SI2.516343.1.

136. Commitment position key: SI2.55187.1.

137. Commitment position key: SI2.482844.1.

138. Commitment position key: SI2.5101392.1.

139. There are several additional printing and publication expenditures contained within FTS, including multiple expenses for *EU Focus*; *EU Insight*; EU Banner Stands; *Europe Week* publications; and multiple other items intended to promote the EU.

*Electronic Distribution of EU Information.*¹⁴⁰ In 2008, €49,800 (\$72,419) was paid to the Maryland-based Blue Sky Factory, Inc., for “Electronic Distribution of EU Info/News Alerts.” This expense was funded from by the External Relations department, specifically the budget line “Information programmes for non-member countries.” This was a 100 percent EU-financed project.¹⁴¹

*CMGRP, Inc.*¹⁴² Despite employing multiple press officers in the Washington, D.C. Delegation of the European Union, and nearly 1,000 PR people in the European Commission overall, seven separate payments were made to this New York–based public relations firm in 2007, and one in 2008, totaling €220,445 (\$320,571). None of the payments in 2007 contained details of the grant, although the monies were administered by the External Relations department. The 2008 project was titled “Design & Production of Digital Business Cards” at a cost of €44,982 (\$65,413).

*Harvard University’s Marleen de Smedt.*¹⁴³ In 2009, €13,854 (\$20,146) was granted to Harvard University’s Weatherhead Center (in the prestigious Kennedy School of Government) to support the fellowship of senior European Commission civil servant Marleen de Smedt. The funding came from the European Commission’s Personnel and Administration department, specifically the budget line “Other management expenditure.”

On-Air Radio Campaigns at U.S. Universities. In 2009, American University in Washington, D.C., received €5,000 (\$7,271) from the External Relations department, specifically the budget line “Information programmes for non-member countries,” for an “on air underwriting campaign to commemorate Europe Day and to celebrate Europe week.”¹⁴⁴ Boston University received €4,835 (\$7,031) from the same budget line for “a two week radio campaign in the Boston Metro Area.”¹⁴⁵

On-Air Radio Campaigns in Major U.S. Cities. In 2009, the Greater Washington Educational Telecommunications Association received €4,914 (\$7,146) from the External Relations department, specifically the budget line “Information programmes for non-member countries,” for an “on air radio campaign.”¹⁴⁶ The Atlanta Educational Telecommunications Collaborate, Inc., received the same amount for a “radio underwriting campaign.”¹⁴⁷ The Friends of WLRN, Inc., corporation received €4,775 (\$6,944) from the same budget line for an “on air underwriting campaign in the Miami Metro Area.”¹⁴⁸

*French–American Cultural Foundation.*¹⁴⁹ The French–American Cultural Foundation in Washington, D.C., received €2,250 (\$3,272) in 2008 to host an “EU Open House” on May 3, 2008. The money was taken from the External Relations department, specifically from the budget line “Information programmes for non-member countries.” EU Open House Days are hosted annually at the EU Delegation in the United States and at EU embassies across Washington.

Media and Film Companies: Expenditure Unknown.

*Sony.*¹⁵⁰ Sony is listed as a partial beneficiary of a €700,000 (\$1.02 million) grant given in 2009 to seven companies in both EU and non-EU nations. The money was allocated under the Information Society and Media budget, specifically “Preparatory action on the implementation of the MEDIA 2007 programmes in third countries.” The MEDIA program is an EU initiative aimed at supporting the European audiovisual sector. No details are given as to how much Sony received individually. This project was financed by the EU at 50 percent.

140. Commitment position key: SI2.521808.1.

141. Several additional charges relating to publication fulfillment, distribution, and graphic design are contained within the FTS.

142. Commitment position keys: SI2.479709.1; SI2.477226.1; SI2.522437.1; SI2.478183.1; SI2.478184.1; SI2.477512.1; SI2.474703.1; and SI2.465538.1.

143. Commitment position key: SI2.541093.1.

144. Commitment position key: SI2.531294.1.

145. Commitment position key: SI2.546512.1.

146. Commitment position key: SI2.543719.1.

147. Commitment position key: SI2.545935.1.

148. Commitment position key: SI2.547484.1.

149. Commitment position key: SI2.498170.1.

150. Commitment position key: SI2.546319.1.

*American Film Institute (AFI).*¹⁵¹ From 2007 to 2009, AFI received three separate EU grants totaling €14,914 (\$21,688). In 2007, AFI received €5,000 (\$7,271) from the EU's External Relations budget, specifically "Information programmes for non-member countries." In 2008, AFI received another €5,000 (\$7,271) from the same budget line. The subject of that grant was "European Union Film Showcase 2008," and was 100 percent financed by the EU. In 2009, AFI received €4,914 (\$7,146) from the same budget line, and the subject of that grant was given as "Distribution of EU film Showcase Program Guide."

*Teza.*¹⁵² €1,393 (\$2,026) was granted to the Mahogany bar and restaurant in Washington, D.C., to host a reception for the U.S. premiere of the drama film *Teza*. The movie was funded by the European Development Fund, and the money for the reception was paid by the External Relations department, specifically from the budget line "Information programmes for non-member countries."

Other Notable Expenditures: €3.6 Million (\$5.3 Million).

*Former British Prime Minister Tony Blair.*¹⁵³ In 2009, €832,500 (\$1.21 million) was allocated for "operations and logistical support to the office of the quartet representative (Mr. Tony Blair) and staff based in Jerusalem." This money was administered through the U.N. and came from the EU's Instrument for Stability.

*Special Representative Francesc Vendrell.*¹⁵⁴ In 2008, two separate payments were made to a "natural person" from the Common Foreign and Security Policy Special Representatives fund totaling €1.65 million (\$2.44 million). €975,000 (\$1.45 million) and €678,000 (\$985,948) were paid, respectively, from the Common Foreign and Security Policy Special Representatives fund. In both instances, the subject of the grant was given as "CFSP/2008/11/EUSR Afghanistan–Vendrell." Both entries have identical commitment position keys with differing last digits, indicating two payments to the same source in the same year.

Francesc Vendrell was appointed as the EU's Special Representative for Afghanistan in July 2002 and stepped down in 2008.¹⁵⁵ After his departure, Ambassador Vendrell became a visiting professor at Princeton. Even though Ambassador Vendrell is not American, the FTS designates spending based solely on location. Therefore, any payment sent to Ambassador Vendrell inside the United States would be revealed by the FTS.

*An Illinois Zoo.*¹⁵⁶ The Niabi Zoological Society received €42,685 (\$62,073) in 2009 under the FP7 for "capacities—science in society." This was part of a collaborative project for which 100 percent EU funding was provided. The grant for all participants totaled €758,178 (\$1.1 million). Other recipients included the University of Edinburgh in the U.K.

*Phenomenological Appearance.*¹⁵⁷ New York University (NYU) shared a €254,849 (\$370,601) grant with the Parisian research institute Centre National de la Recherche Scientifique in 2009 (it is not revealed what portion of the grant each recipient received) to study "Appearance in Action: The interplay of perception and action as revealed by attention-related changes in phenomenological appearance." The money was allocated from the FP7 under the budget line described simply as "People." This project was 100 percent EU-funded.

*Zebrafish Development.*¹⁵⁸ Stanford University shared a €241,291 (\$350,885) grant in 2009 with a German molecular biology lab (it is not revealed what portion of the grant each recipient received) to study "Alpha-Catenin

151. Commitment position keys: SI2.480740.1; SI2.512257.1; and SI2.544829.1.

152. Commitment position key: SI2.542315.1.

153. Commitment position key: SI2.529363.1.

154. Commitment position keys: SI2.495133.1 and SI2.495133.2.

155. Funding for the office of the EUSR to Afghanistan was paid *in addition* to these payments. The office of the EU Special Representative to Afghanistan cost €2.3 million in 2008 (commitment position key SI2.508479.1), and €2.83 million in 2009 (commitment position key SI2.527772.1).

156. Commitment position key: SI2.537532.1.

157. Commitment position key: CPM.235625.381803.1.

158. Commitment position key: CPM.236027-331209.1.

regulatory properties and functions during Zebrafish development.” The money was allocated from the FP7, under the budget line description of “People.”¹⁵⁹ The project was 100 percent EU-funded.

*Microdynamics of Rebellions: An Inquiry Into the Role of Mid-Level Commanders in Chad.*¹⁶⁰ Berkeley University shared a €222,180 (\$323,094) grant in 2009 with the Institute of Political Studies in Paris (it is not revealed what portion each recipient received) to study the *Microdynamics of Rebellions*. The money was allocated from the FP7 under the budget line description of “People.” It was 100 percent funded by the EU.

Berkeley University shared in a number of other research grants with both EU and non-EU nations.¹⁶¹

*How-to-Stop-Eating Research.*¹⁶² Cornell University shared a €216,824 (\$315,305) grant in 2009 with the Dutch Wageningen University (it is not revealed what portion each recipient received) to study “Environmental factors increasing consumers’ food intake: developing effective intervention strategies to facilitate consumers’ self-control.” The money was allocated from the FP7, specifically from the budget line described as “People.” It was 100 percent funded by the EU.

Cornell also received a second shared study grant, working with the Israel Institute of Technology to study ways of increasing scientific learning through general TV programming.¹⁶³

*Williams–Sonoma.*¹⁶⁴ The European Commission’s administrative expenditure budget allocated €15,933 (\$23,170) to the U.S. luxury home-goods store Williams–Sonoma in 2009. The money was allocated under the EU’s budget for “Buildings and related expenditure of the delegations of the Commission of the European Communities.” The address of the beneficiary was given as Williams–Sonoma’s Van Ness Avenue store in San Francisco. However, the expense was contained within an invoice designating Trinidad and Tobago as the destination country of the grant, which is also where the EU keeps a substantial delegation.

*Galileo.*¹⁶⁵ Galileo is an EU global navigation satellite system that will be able to act as an alternate system to American GPS systems—if it is ever built. In 2009, €5,000 (\$7,271) was allocated by the Commission’s Energy and Transport department, specifically from the “Galileo Programme” budget line for the purposes of “Coverage by contractor of Galileo topics to be discussed at the June 09 Citadel Meeting in Ottawa.” The grant was paid to Business Consulting International, which is based at a residential address in Washington, D.C.

*Executive Education Training at Harvard University.*¹⁶⁶ Harvard University’s Kennedy School of Government received a total of €51,889 (\$75,457) from the European Commission in 2009.

€10,000 (\$14,542) was allocated for a training program titled “Leadership for the 21st Century.” This executive education program at the prestigious Cambridge campus is designed for people “to learn how to act courageously and skillfully when exercising leadership.”¹⁶⁷ Two designated individuals were the subject of the grant—D. Spatharis and P. Sourmelis—who are listed in the European Commission’s trade directory.¹⁶⁸ The funding came from the

159. Stanford also took part in two further joint research projects: one more with the Paris-based research institute Centre National de la Recherche Scientifique (€254,849 / \$370,601); and one with the Majorca-based University of the Balearic Islands (€217,114 / \$315,727). Commitment position keys: CPM.237194-340605.1 and CPM.237225-332806.1, respectively. These grants are not included in the total amount of “Other notable expenditures” given at the beginning of this section.

160. Commitment position key: CPM.236117-326801.1.

161. Commitment position keys: CPM.235107-387619.1; SI2.539218.1; CPM.235607-300203.1; CPM.237751-383001.1; CPM.235297-334208.1; CPM.235979-340807.1; CPM.237383-296408.1; and CPM.237846-292403.1. These grants are not included in the total amount of “Other notable expenditures” given at the beginning of this section.

162. Commitment position key: CPM.236132-336603.1.

163. Commitment position key: CPM.236283-388603.1. This grant is not included in the total amount of “Other notable expenditures” given at the beginning of this section.

164. Commitment position key: BCC.019547.1

165. Commitment position key: SI2.535157.1.

166. Commitment position key: SI2.552620.1.

167. Harvard Kennedy School, “Leadership for the 21st Century: Chaos, Conflict and Courage,” Executive Education, October 16, 2011–October 21, 2011, at <http://ksgexecprogram.harvard.edu/Programs/l21/overview.aspx> (April 27, 2011).

168. European Commission, “Trade,” European Commission, at http://trade.ec.europa.eu/doclib/docs/2009/december/tradoc_145610.pdf (April 27, 2011).

European Commission's Trade department, specifically the budget line "Other management expenditure of 'Trade' Directorate-General."

€20,222 (\$29,407) was also granted, again by the Trade department, for "External training–30/08 TO 11/09/09." No individuals were listed in the invoice.¹⁶⁹ Another €4,624 (\$6,724) was allocated from the commission's External Relations department.¹⁷⁰ €7,777 (\$11,309) was granted from the commission's Personnel and Administration department.¹⁷¹ €4,642 (\$6,750) was granted from the Environment department.¹⁷² And €4,624 (\$6,724) was granted for the training of G. Frontini to undertake a training course entitled "Mastering Negotiation–Building Agreements Across Boundaries," which was financed from the Trade budget.¹⁷³

*Around the World Travel, Inc.*¹⁷⁴ In 2009, this company was paid €90,254 (\$131,247) from the European Commission's Administrative expenditures. The budget line was designated as "management expenditure of the delegations of the Commission of the European Communities." No subject of the grant or contract is given for this D.C.-based company which does not have a readily identifiable Web site.

169. Commitment position key: SI2.537231.1.

170. Commitment position key: BCC.020630.1.

171. Commitment position key: SI2.520076.2.

172. Commitment position key: SI2.516534.1.

173. Commitment position key: SI2.524098.1.

174. Commitment position key: BCC.020635.1.

PART III

Recommendations

What the U.S. Congress Should Do

- **Leaders in the U.S. House of Representatives responsible for oversight should demand disclosure of all EU payments made inside the United States.** All payments, including those currently classified as confidential, should be disclosed to all relevant Committee Chairmen to ensure that U.S. interests and national sovereignty are being protected.
- **Congress should investigate EU funding streams in the U.S.** to ensure that recipients, and the EU itself, are obeying all applicable public disclosure and lobbying laws, and that these laws are adequate to ensuring the full disclosure by private recipients of all foreign funding, including that received from the EU.

What EU Governments and European Parliamentarians Should Do

- **EU heads of state and governments should be informed of all past and future confidential payments to individuals, corporations, or “natural persons” in both EU and non-EU states.** A designated EU official should be responsible for disclosing all confidential payments via member states’ permanent representatives in Brussels.
- **The House of Lords European Union Committee should conduct an inquiry** into the effectiveness of EU spending in the United States and prepare an official report for the British Government.
- **As part of its pledge to “reform and change how the European Union works,” the European Parliament’s European Conservatives and Reformists Group** should launch a wholesale investigation into the effectiveness of all EU spending in third countries.

CONCLUSION

The scale of EU money pouring into the United States is enormous. It is important that Congress ascertain whether these expenditures are in compliance with U.S. laws, and to ensure that American interests are protected. Congressional leaders should demand answers from Brussels about its secret multimillion-dollar payments to “natural persons” inside the United States. Members of Congress should raise important questions over Brussels’ interference in U.S. political and social debates, such as climate change, the death penalty, and the International Criminal Court. It is impossible to justify EU human rights budgets being spent in one of the world’s freest nations.

The EU budget has become synonymous with profligacy, waste, fraud, and mismanagement. It is beyond time for EU member state governments and European parliamentarians to take action.

The EU’s lavish expenditures in the United States comport badly with the sacrifices that millions of ordinary Europeans are being asked to make. EU member states who are making deep cuts to their education budgets will further question the vast grants that are being contracted to many of America’s wealthiest academic institutions on a regular basis. Member states and European parliamentarians should lay out the appropriate role for the EU, and determine where it is simply over-reaching its competencies to absurd degrees.



214 Massachusetts Avenue, NE • Washington, DC 20002 • (202) 546-4400 • heritage.org