

The European Commission's use of consultants in preparing legislation

The [original full study](#)ⁱ on the Commission's use of consultants in the preparation of legislation was carried out by the Centre for Strategy & Evaluation Services (CSES) in 2022. It examines the European Commission's use of consultants over the past 10 years, its evolution and extent, and considers the budgetary, legal and political implications raised by the current practice.

A presentation of this study's preliminary findings on 14 July 2022 coincided with the publication (on 30 June) of a **Special Report on the Commission's use of consultants by the European Court of Auditors (ECA)**. The two publications are complementary insofar as this study focuses specifically on the Commission's use of consultants in supporting the preparation of legislation and policies whereas the ECA covered a much broader field of consultancy activity.

Check out the
[original full study](#)
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Background

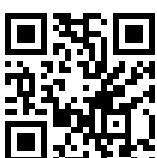
Reflecting wider trends in many of the Member States, the **Commission's use of consultants to support policymaking has tended to increase over the years**. Very similar drivers at the EU and Member State levels have led to this increasing reliance on consultants over the years: The main reason is to obtain specialist expertise and knowledge, complementing in-house know-how, and to compensate for increasing constraints on human resources. Those consulted in the Commission and Member States also value the independent perspective that consultants can bring to a subject.

Whilst the Commission's spending on consultants to support the preparation of legislation and policymaking has increased over the years in absolute terms at a quite steady pace, it is important to note that it has remained quite constant as a proportion of the overall EU budget. During the 2014-21 period, the percentage of the EU's adopted budget spent on the four FTS categories making up consultancy services never exceeded 0.6% (see figure overleaf). The proportion relating to 'evaluation' is much less.



The number of consultancy firms providing policy-related advisory services to the Commission is a quite small proportion of the sector as a whole but nevertheless very diverse. There were 40 firms that were awarded at least EUR 1 million in contracts during the 2014-21 period for policy-related advisory services.

Contrary perhaps to some popular perceptions, **the 'Big Four' and other large consultancy firms do not dominate the market for EU policy advisory service:** Based on FTS data, their share of the above market did not exceed 14.5%.



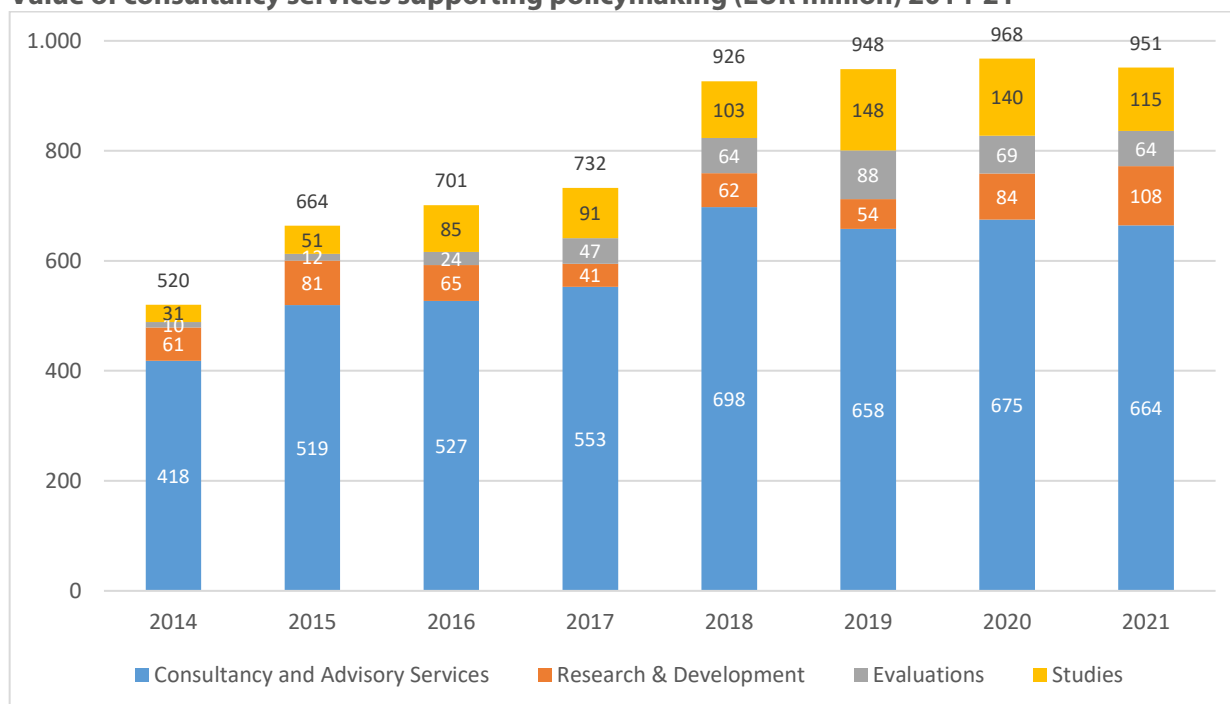
Key findings

Overall, our research suggests that the Commission's system, as applied to consultants who deliver services to support the preparation of legislation and policymaking, is satisfactory. Despite a high degree of decentralisation, it is in many ways more transparent than the procedures adopted by Member States, and the FTS provides a very useful and publicly available source of procurement data.

The European Court of Auditors' Special Report is more critical, but the ECA examined a broader field of consultancy activities, and recognises that in the area of support for legislation and policymaking, tighter controls and guidelines are in place, notably through the **Better Regulation Guidelines** and the role of the Regulatory Scrutiny Board.

It could be argued that the increased use of framework contracts has encouraged a **tendency towards 'concentration'**. However, because of the large number of studies and potentially wide range of subject matter, framework contracts require the formation of consortia, thereby giving smaller, more specialised companies an entry into the market.

Value of consultancy services supporting policymaking (EUR million) 2014-21



Source: CSES analysis of FTS data.

The competitive nature of Commission procurement procedures helps to ensure that consultants provide value for money. However, in order to encourage more competitive pricing, consideration could be given to not publishing the budgets for certain assignments in the tender documentation.

We have not found evidence at the EU level of undue political influence on consultancy firms in the upstream stages of policymaking. Both the Commission and the consultancy firms themselves have rules and procedures in place to prevent or minimise the risk of a conflict of interests, and ensure that quality standards are maintained.

ⁱ Malan, J., et al., 2022, *The European Commission's Use of Consultants in Preparing Legislation*, Publication for the committee on Budgetary Control, Policy Department for Budgetary Affairs, European Parliament, Luxembourg. Available at: [https://www.europarl.europa.eu/RegData/etudes/STUD/2022/739498/IPOL_STU\(2022\)739498_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2022/739498/IPOL_STU(2022)739498_EN.pdf)

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