

PROCEEDINGS

Sponsorships of EU Presidencies: Stocktaking and Perspectives

Budgetary Control



Policy Department D for Budgetary Affairs
Directorate General for Internal Policies of the Union
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PROCEEDINGS

Sponsorships of EU Presidencies: Stocktaking and Perspectives

Budgetary Control

WORKSHOP PROCEEDINGS

Abstract

The workshop highlighted various aspects and perspectives around corporate sponsorship of EU Presidencies, including the follow-up of the EU Ombudsman's recommendations and Council guidelines on the subject-matter.

The workshop has been requested by the European Parliament's Committee on Budgetary Control.

AUTHORS

Helena KRALOVA, Max Tristram KRETSCHMER

ADMINISTRATOR RESPONSIBLE

Francisco PADILLA OLIVARES

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ABOUT THE EDITOR

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To contact the Policy Department or to subscribe for updates, please write to:

Policy Department for Budgetary Affairs

European Parliament

B-1047 Brussels

Email: Poldep-Budg@ep.europa.eu

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WORKSHOP PROGRAMME



WORKSHOP ON

Sponsorships of EU Presidencies: stocktaking and perspectives

*organized by the Policy Department on Budgetary Affairs
for the Committee on Budgetary Control*

Tuesday 27 June 2023
11:15 - 12:15
European Parliament, Paul-Henri Spaak 5B1, Brussels

DRAFT PROGRAMME

Opening remarks and Introduction

11:15-11:25 **Caterina Chinnici**
Vice-Chair of the Committee on Budgetary
Control

Lara Wolters
MEP

Stocktaking and perspectives

11:25- 11:35 **Rosita Hickey**
Director of Inquiries at the European Ombudsman

11:35- 11:45 **Alice Krutilova**
Director of the Czech EU Presidency Department at the Govern-
ment's Office

11:45- 11:55 **Shari Hinds**
Policy Officer on EU Political Integrity, Transparency International
EU

Questions and answers

11:55 - 12:10

Conclusions and closing remarks

12:10- 12:15

Caterina Chinnici

Vice-Chair of the Committee on Budgetary
Control

* * *

WORKSHOP PROCEEDINGS

Opening remarks and Introduction

Caterina CHINNICI (CONT Vice-Chair – EPP)

Firstly, Ms CHINNICI introduced the topic of the workshop, regarding stocktaking and perspectives on sponsorships of EU Presidencies. The Parliament discussed the issue in a debate on the discharge to the Council and the European Council. The Vice-Chair said that the Parliament had repeatedly expressed its concerns about corporate sponsorship of Member States hosting the EU Presidency, and that the Parliament's resolutions had highlighted the possible reputational damage that could ensue. The Council Presidency plays a very influential role in EU policies and in law making, thus the corporate sponsorship of the Council Presidency could give people the impression that sponsors have an influence over EU institutions.

Ms CHINNICI stressed that due to the sub-optimal level of communication with the Council, the debate on this sensitive topic had never benefited from direct exchange of views with the Council itself in the framework of the discharge. Vice-Chair emphasised that the Parliament wanted to assess all the possible angles and positions to gain a better understanding of this practice and its consequences. Secondly, Ms CHINNICI introduced all speakers, starting with the CONT rapporteur on the subject matter MEP Lara Walters (CONT–S&D) and then the external invitees: Rosita HICKEY, Director of Inquiries at the European Ombudsman, Alice KRUTILOVA, Director of the Czech EU Presidency Department at the Government's Office, and Shari HINDS, Policy Officer at the Department on EU Political Integrity, Transparency International.

Lara WOLTERS (CONT – S&D)

Ms WOLTERS delivered an opening statement and underlined issues related to the practice of corporate sponsorship. She stressed that sponsorship of the EU Presidency was a very important topic and Parliament should talk about it. She emphasised that apart from the German Presidency, all Council Presidencies had made use of corporate sponsorship since 1999. According to WOLTERS, it was a risky practice, which sent an odd signal to European citizens, something like “democracy sponsored by Coca-Cola” or “democracy on the cheap”. Ms WOLTERS said that EU Member States prided themselves on certain values, but they did not have money for public governance. She said it was the wrong message for a continent that prides itself on its democracy, rule of law, and transparency. Ms WOLTERS emphasised that this practice needed to stop. According to Ms WOLTERS, it was not appropriate to have large corporate brands next to the Council logo. Moreover, it could be perceived as a conflict of interest. She hoped there had not been conflicts of interest in the past, because the Council is very opaque regarding its budget, especially when it comes to Council sponsorship.

According to Ms WOLTERS, the Parliament should be mindful of actual conflicts of interest as well as perceived conflicts of interest. Ms WOLTERS said that those EU citizens, who felt distance from EU institutions, and had trouble with understanding the intricacies of the European decision-making process, would not understand why these sponsorships were not part of the actual Council or why side events could be sponsored. According to Ms WOLTERS, private sponsorships would not be acceptable in national parliaments, for example Jupiler's or Heineken's posters. Conversely, it was acceptable for side events organised by the Council Presidencies.

She also drew attention to the question of why these brands strive to sponsor the Presidency. This prestige position brings the exposure as well as the aforementioned risks. If sponsors strive for something else, there is a problem. Presidencies chair the Council for six months and guide the process of EU law making. It is necessary to emphasise this issue because there is a lot of lobbying going on when it comes to legislative procedures.

Ms Wolters stressed that Member States should avoid conflict of interests in decision-making process or in negotiations within the Council and with the Parliament. In the previous Council budget discharges, the Parliament called on Council presidencies to stop using sponsors. Further, the Parliament has very little visibility regarding the Council budget. She said if it were not possible to stop using sponsors, it would be helpful to have more visibility of Council budget. The general Council budget should provide costs that are associated with the Presidency.

The Council had issued the guidance after the push from the Ombudsman. Ms Wolters said that a complaint had been lodged to the Ombudsman, who had stated that the Council would need to do more in this matter. Thereafter, the Council published one page where it appealed to Member States to be mindful and to make their own rules or principles on this issue. However, the Council was not obligated to do anything with sponsorships. She mentioned that it was a step forward because there was written guidance. On the other hand, she wondered whether the Council's action did not enshrine and legitimize bad practices.

"The Presidency has a lack of budget, especially for side events" was very common argument justifying sponsorship. According to Ms WOLTERS, the reputational costs and risks outweighed the merits that promotion might have had. Ms WOLTERS stressed that there should be alternatives other than collaborating with large brands and large lobbying budgets in Brussels and beyond. Ms WOLTERS reiterated that the Council should provide a budget for the Presidency. Further, it should be considered whether it would be done centrally or whether Member States would also contribute. Ms WOLTERS appreciated that a speaker from the previous Czech presidency had come to the workshop. Further, she also wondered how the Parliament could proceed after the adoption of guidelines.

Rosita HICKEY (Director of Inquiries at the European Ombudsman)

Ms HICKEY elaborated on the inquiry that the Ombudsman office had conducted into Council Presidency sponsorships. She outlined the reason of inquiry, steps taken by the Ombudsman office during inquiry, and the consequences of the inquiry. Ms HICKEY stressed that anyone who had attended events organised by Presidencies in the two decades prior to the pandemic would have been aware of the visual presence of corporations with logos and branding on display and visible partnerships for the provision of services like transport, food and drink.

Different civil society organisations raised this issue in the past. Ms HICKEY said that the Ombudsman's office had had this matter on its radar before receiving a complaint in 2019 from Foodwatch International. In the complaint, Foodwatch specifically raised the prominent sponsorship of the Romanian Presidency by a major multinational soft drinks corporation. Ms HICKEY emphasised that Foodwatch had tried to raise the matter directly with the Council. The Council replied that it had been the responsibility of national governments, which held the presidency. However, this line of

argument did not convince the Ombudsman. Although the rotating Presidencies are chaired by a different Member State every six months, the Council Presidency is functionally part of the Council and thus part of the EU administration.

Ms HICKEY said that the Ombudsman had conducted an inquiry that had led their office to make a recommendation to the Council in January 2020. The Ombudsman, Emily O'Reilly, noted in the assessment that the Presidency had an important and influential role to play in EU policy and law making. For example, the Presidency proposes compromise positions on draft policies and legislation to Member States and it negotiates on behalf of the Council with the Parliament to agree on draft legislation. When it comes to non-legislative proposals, it is the Presidency that can decide what deliberations are held in public and which new proposals should be prioritised.

There is no doubt that the Presidency exercises power on behalf of the Council, and in exercising this power the Presidency is expected to be neutral and impartial. The Ombudsman took the view that there was a risk that commercial sponsorships could be perceived to exert some influence over EU policy and law making. The Parliament raised similar concerns in the context of the 2019 budget discharge. Ms HICKEY pointed out that when the Presidency organised a meeting or another activity, the public could link it to the Council and to the EU administration. According to Ms HICKEY, if there was a visible or prominent presence of a commercial sponsor or partnership, the public may have perceived this relationship as conveying privileged access or influence from a sponsor. Ms HICKEY drew attention to the fact that sponsors may be interested or affected by EU policy and law making under the current Presidency. From the Ombudsman's perspective, it poses a reputational risk for the EU as a whole. Furthermore, the public might find it difficult to distinguish between the Member State's own activities and activities under the Presidency, which are also a part of the EU administration.

The Ombudsman's recommendation aimed to encourage the Council to eliminate or at least mitigate the reputational risk. The Ombudsman pointed out that the Council had already provided Member States holding the Presidency with practical, procedural and strategic advice on running the Presidency. As such, this guidance could be extended to the whole issue of sponsorship. The Council referred that sponsorships were the matter of Member States, but the Ombudsman assessed it as not sufficient. Ms HICKEY highlighted that the Ombudsman suggested that the Council should provide guidance to Member States on the issue of sponsorship, just as it did on other issues pertaining to the Presidency. For example, the guidance could be related to the transparency of commercial sponsorship or the use of the EU logo. Thereafter, the Ombudsman's Office acknowledged it was one-step forward, because the Council replied in May of that year and the guidelines are now in place.

The Ombudsman's Office welcomed the announcement of the German Presidency, which had decided not to entertain any commercial sponsorship during its term holding the Presidency. However, Ms HICKEY also said that since then, other Member States holding Presidencies had not made such unequivocal commitments as Germany. On the other hand, it is necessary to say that some of them took a more nuanced approach and refused financial contributions, but allowed partnerships and thereby visibility.

For instance, the Czech Presidency allowed partnerships with corporations for the provision of cars and drinks, and provided transparency about this by listing partners with ministries on its website. These partners were chosen on the basis of open calls for tender. The Swedish Presidency did not rule out partnerships or sponsorship, but the Ombudsman's Office was not able to find information about sponsors on the Swedish Presidency's website, despite seeing visible brands in the area of transport. In case of the Spanish Presidency, the

Ombudsman's Office understood that they would not accept a corporate sponsorship and the Ombudsman's Office hope it will be adhered to.

The Ombudsman understood that running Presidencies is logistically complex and involves considerable expense. The Ombudsman's Office appreciate that national governments may not want to burden their taxpayers. On the other hand, Ms HICKEY emphasised that the credibility of the EU administration should not be damaged due to the perception that corporations may have undue access or influence over EU decision-making. Whereas/If Presidencies allow sponsorships, they should be transparent about the nature and extent of such partnerships.

Alice KRUTILOVA (Director of the Czech EU Presidency Department at the Government's Office)

Ms KRUTILOVA thanked the committee for the invitation and the opportunity to explain the Czech government framework for the preparation of the EU Presidency. She highlighted the Council framework, which sets rules for the Presidency but stressed that those rules give leeway to determine how to approach corporate sponsorships. She referred to the German Presidency, as the only Presidency that had opted against sponsorship.

Ms KRUTILOVA explained that the goal of her presentation was not to distinguish or to argue for the use or non-use of sponsorship, which she viewed as a political decision during preparation of the Presidency. She went on to highlight the difficulties involved in preparing a Presidency, particularly in relation to the Czech electoral cycle, which brought in a new government 6 months before Presidency began. As such, they assumed that new political representation would follow the path, which had already been established.

Ms KRUTILOVA then sketched out the format of her presentation, which would highlight the framework for the sponsorships, showing examples of transparency in practice, and introducing a closing document, which serves as a stocktaking exercise, detailing what happened during the Presidency.

She explained the prime minister's office was the coordinator of the Presidency and were still running the department, empowered to set up the rules for colleagues and all line ministries. She reported that the Czech Presidency approached sponsorships in a strict way, responsive to the instructions which determined the opportunities for sponsorships.

Ms KRUTILOVA explained that the Czech Presidency used a public procurement tender, to ensure that the application for tenders was transparent and guided by characteristics set by the central coordinator. They prioritised things like electric vehicles, to align with the Green Deal. During the second leg of the sponsorship, they established a framework of rules, which was adopted by the government and followed by all line ministries and state administration actors. She reported that the office aimed to exercise control, not only over line ministries, but also over embassies, to ensure that all uses of the Council logo and associations of companies to the presidency was regulated. They had established a framework document 18 months before the start of the Presidency.

The Council had agreed on recommendations for the sponsorships in 2021, allowing the presidency to incorporate them into framework documents and coordinate centrally. Ms

KRUTILOVA referenced the controversy surrounding the Romanian Presidency's partnership with Coca-Cola and explained that the framework aimed to avoid public controversy, setting out 'dos and don'ts'.

Ms KRUTILOVA reported that the Czech Presidency followed a national law on public procurement, in line with EU directives. She explained that the framework had a criteria check list that companies seeking partnerships with the line ministries or embassies needed to follow. Companies knew in advance that any conflict of interest or interfering with the legislative procedure, at the national or European level, was banned.

Ms KRUTILOVA introduced the process used to evaluate requests for partnership. Firstly, the line ministry would talk to the company and submit to the application for sponsorship to the central coordinator. The line ministry would then report whether the company fulfilled the criteria set in the national guidelines. The applicant would also submit a sworn declaration that they fulfilled the criteria, paid taxes, and did not partake in exploitative work practices. Once the government office received these declarations, they had two weeks to issue a decision. The government office thought it unwise to have a situation where the Council logo, the Presidency logo and a company logo were jointly included in public facing materials. In the case of a negative decision, association with the Presidency was forbidden. Ms KRUTILOVA contended that this process was transparent.

She went on to refer to an article on the archived web page of the Czech Presidency, which displayed partnerships for the car fleet tender. Ms KRUTILOVA explained that Volkswagen and Škoda Group provided cars, with positive spill overs for the police of the Czech Republic and the security services. She continued, the car fleet could not simply be rented, the police needed to secure the cars before visits happened. Therefore, the police service appreciated that the car fleet was at their disposal for a long period and they did not have to secure the fleet in time-limited situations.

Ms KRUTILOVA then referred to another webpage, which listed the partnerships of the ministries. In response to the Ombudsman's comments on beverage company sponsorship. She clarified that the partnership was between the Ministry of Finance and a famous Czech brewer. She explained that the Minister of Finance brewed a batch of the beer for his colleagues, so only a small volume of beer was produced and distributed to the Member States. Nonetheless, the partnership was with a private company, therefore listed.

Ms KRUTILOVA drew attention to sponsorships with embassies from both companies and private persons. In Canada, the Czech embassy organised a cultural event and listed all sponsors to ensure complete transparency.

Ms KRUTILOVA then reintroduced the document the government office had reflectively produced, which evaluated the Presidency. In the first leg of the partnerships, they had two public tenders for the car fleet. In the second leg, they had 39 registered partnerships with a total value below EUR 100,000. The decision to use tenders for the public procurement of the car fleets, stemmed directly from a political decision at the beginning of the Presidency. Nevertheless, Ms KRUTILOVA reaffirmed that the process was conducted purely administratively, through the use of public tenders.

Shari HINDS (Policy Officer on EU Political Integrity, Transparency International EU)

Ms HINDS, Policy Officer at the Department on EU Political Integrity of Transparency International EU, thanked the committee for the invitation to the workshop. She outlined the format of the presentation, which would begin by introducing her organisation, then tackle the main issue related to the sponsorship of the EU Presidency and the solution in the opinion of transparency international.

Ms HINDS presented Transparency International EU, the Brussels office of the global anti-corruption movement. Their mission is to address and prevent corruption, promoting integrity accountability and transparency in all the EU institutions and for internal and external legislation and programmes.

Ms HINDS explained that political integrity is central to their work, contending that a weak ethical system could be a threat to democracy. She referenced the last Eurobarometer on corruption, which reported that 77% of participants believed close links between politics and business could lead to corruption. For the EU presidency, Ms HINDS argued that the key problem are conflicts of interest.

She defined conflict of interest as a situation where an individual or the entity for which they work, whether a government, business, media outlet or civil society organization, is confronted by a choice between the duties and demand of their position and their own private interests. Perceived conflict of interest can include situations where it could appear that there is a conflict of interest or undue influence.

In the context of Presidency, she highlighted that a perceived conflict of interest can include situations where sponsorships from national or multinational companies, businesses are accepted. Any time the Presidency accepted goods, services or cash from private companies. Such sponsorships often involve allowing companies to present their names and logos alongside the official council Presidency logo associating themselves with the EU.

Ms HINDS went on to reference different cases of council sponsorship that have been problematic in the past. Ms. HINDS drew attention to the Portuguese Presidency's acceptance of sponsorship from three companies, including the distributor of PepsiCo in Portugal and the Navigator Company, which was associated with monoculture plantation, forest fires in Portugal and land grabbing in Mozambique. She also referenced the controversy surrounding the Romanian Presidency. On that basis, she argued that sponsorship of EU Presidency could at least lead to perceived conflicts of interest.

Ms HINDS suggested Council sponsorships are particularly problematic when the legislative programme overlaps with sponsors interests. She used a hypothetical conflict between the green new deal and an oil company sponsorship to highlight the issue. In such a case, doubts on the credibility and fairness of the Green Deal would be raised, leading to perceived conflicts of interest.

Ms HINDS then explained that companies had a more general influence on the Presidency through lobbying. She questioned what companies received in exchange for the goods

and services they provide the Presidency, and argued that the EU Presidency should be independent.

Ms HINDS raised concerns over citizen's impression of the Presidency, whether the Presidency was acting in their own interests, in the public interest or on behalf of the companies that are sponsoring the Presidency. She added, scandals related to associated companies would tarnish the image of the EU as a whole, concluding that there were many downsides to Council presidency sponsorship due to the high reputational risks. She claimed there was no upside to sponsorship and advocated for a complete ban.

Ms HINDS suggested that the national or EU budget should fund all costs related to the EU Presidency, adding that the national government owned the Presidency and should not be influenced by sponsorships. Mrs HINDS then drew attention to Qatargate, highlighting how the behaviour of a few individuals, or in this case sponsorships, could have a reputational impact on the EU as a whole.

Conflict of interest remained the central issue for Mrs Hinds, she maintained that it should be addressed by all European institutions including the Parliament. She raised the ongoing revision of codes of conduct and rules of procedure, which were being discussed in a secretive working group rather than in AFCO. She contended that discussions concerning conflicts of interest should be addressed publicly.

Ms HINDS concluded that Council sponsorship should not be allowed and transparency should be ensured. She embedded the problem within a broader concern for ethical frameworks across the EU, arguing that in the context of the next election, citizens need assurance that the EU is taking transparency and accountability seriously.

Questions

Lara WOLTERS

Ms WOLTERS agreed with the analyses of both the Ombudsman and Transparency International. She emphasised that it was not difficult to think of a world in which these sponsorships did not exist. According to Ms WOLTERS, it would not be possible on the national level, but the fact that Brussels is further away for citizens and that EU decision-making was not always well understood made these practices possible.

The first round of questions was directed to the representative of the Presidency. She wondered whether it was worth doing a cost-benefit analysis. The representative from Transparency International said it was not worth it, as the risks outweighed benefits. She wanted to know how much Presidencies have costed and whether sponsorships were necessary. Further, she asked what the main reason of sponsorship was, whether the main reason was money and budget or tradition of putting certain companies of national pride in the spotlight. Ms WOLTERS had the impression that somebody had started with this and others had simply continued. Furthermore, Ms WOLTERS mentioned that costs in terms of conflicts of interests, reputational risks were very clear, but she missed the benefits of sponsorships.

Other questions were directed to the Ombudsman and to Transparency International. Ms WOLTERS asked how they saw the role of the European Parliament in this matter. According to the MEP, the Parliament did the best pointing out the problems in different reports. She

wanted to know whether there was anything more that the Parliament could do in terms of asserting pressure. Ms WOLTERS asked the Ombudsman's Office what was its assessment on the Council guidelines when they had come out and whether there had been any follow-up. Furthermore, Ms WOLTERS asked whether the Ombudsman had done an analysis of whether Presidencies had become more transparent. She wanted to know more about the ongoing assessment and more about the guidelines.

Further, she was interested in any follow-up within the Council regarding the guidelines on sponsorship. She wanted to know more about a possible ongoing discussion between the Presidencies on sponsorship. Ms WOLTERS also encouraged speakers to talk more about the possible discussion in the light of the Qatar gate. She was interested whether this topic was still alive and whether the Parliament could encourage the discussion. In the end, she contended that it was an absurdity that Presidency sponsorships existed.

Answers

Rosita HICKEY

Ms HICKEY thanked for the very thought-provoking questions. She pointed out that the Parliament usually asks the Ombudsman to do things and not the Ombudsman that asks the Parliament. Further, the fact that the Parliament organised this event gave the Ombudsman a reason to look back and check the implementation of guidelines.

The Ombudsman's Office is a complaints-driven organisation and if they get a complaint, they look into it just as in the Food Watch case. Similarly, the Ombudsman can look into matters on their own initiative. She said that the Ombudsman had considered revisiting this topic later this year.

The Ombudsman was pleased that the guidelines had been adopted. The Ombudsman's Office understood that this topic was for the Member States because it was the national matter. Further, the Ombudsman's office saw that the Council had taken some responsibility by publishing the guidelines. Although the guidelines were single-paged and not very elaborate, they tackled some of the main issues that the Ombudsman had identified in terms of the risks.

The Parliament gave the Ombudsman a reason to look back on the implementation. The example of the German Presidency shows the possibility of not engaging in any sponsorship. Even though Germany had planned some things/events, they had taken a different position. The Czech Presidency presented the figures that the partnerships reached 90,000 EUR. According to Ms HICKEY, it would be feasible to run a Presidency without relying on that contribution. However, she understood that representative of the Czech Presidency had mentioned the difference made in terms of the partnership with the car companies. Ms HICKEY pointed out that if it could be done by one Presidency, all could do it.

Ms HICKEY focused on cost considerations and emphasised that for example, private entities could not pay for flights. According to Ms HICKEY, it was not acceptable because if it would happen in one area, it could happen elsewhere. Ms HICKEY stressed that if cost concerns were the main problem, there must be other ways of funding, because holding the EU Presidency is an important moment for Member States.

Alice KRUTILOVA

Ms KRUTILOVA mentioned that the discussions in the Council on the guidelines had stopped after the adoption of the document two years ago. The future Presidencies were just being advised to follow this advice. Ms KRUTILOVA stressed that the German Presidency had not used partnerships because it took place during the COVID-19. At that time, basically all the informal events, which were supposed to be held in Germany, were cancelled. The Presidencies usually use these partnerships during informal events organised by the country holding the Presidency. According to Ms KRUTILOVA, the Czech Presidency had to consider uncertain times in Covid-19 and uncertainty of having these kinds of side events. Ms KRUTILOVA emphasised that there were difficulties in the value chains and in the supply chains, especially in the car industry. Thus, the Czech Presidency had no guarantee of finding cars on the market.

Further, the Czech Presidency opted for the open public tender because there are three car manufacturers not only coming from the Czech Republic. Ms KRUTILOVA said that the Czech Republic had wanted to show that even a French company could be a partner, but in the end, Volkswagen and ŠKODA won the tender. Overall, the Czech Presidency used 100 cars. Further, the Czech Presidency ensured that the logo of the companies would not be next to the logo of the Presidency. They had a note about that in contract. It meant that the television cameras or photographers were not able to feature in one shot.

Lastly, Ms KRUTILOVA confirmed that sponsorships were a political decision linked to the budgetary issues. Overall, the Czech Presidency costed two billion Czech crowns. According to Ms KRUTILOVA, the costs would be much higher, if the Presidency would have had to rent a fleet of 100 cars for the duration of nine months.

Shari HINDS

Ms HINDS focused on the role of the Parliament. She emphasised the importance of events like this workshop that put the issue into the spotlight. Further, it is also useful to have opinion from the Ombudsman's Office and Transparency International to put pressure on the Council to act as soon as possible to prevent further scandals.

Conclusion and closing remarks

Caterina CHINNICI

Vice-Chair thanked all guests as well as Ms WOLTERS. She also drew attention to the transparency, autonomy, independence and the process how money was spent in the Council and the European Council as well as activities carried out by the Member States. According to Ms CHINNICI, the Parliament had to ensure no conflict of interests and mitigate reputational risk. Even though the Parliament could not completely remove this danger, it is important to ensure transparency. Further, she reiterated that it was important to reinforce and maintain the trust of citizens in the EU institutions and the Parliament should work on that. It is necessary to have complete transparency in the activity of the institutions.

BRIEFING ON

Sponsorships of EU Presidencies: stocktaking and perspectives

Authors: Andras Schwarcz, Francisco Padilla Olivares

Background information for the CONT Workshop on

Sponsorships of EU Presidencies: stocktaking and perspectives

1 The issue

1.1 What is sponsorship?

Most of the Member States have used corporate sponsorship during their Council presidency. Although the official meetings of the Council are financed by the EU budget, the rotating presidency usually organises unofficial meetings and events that are not covered, while other extra costs also incur due to the presidency tasks. Even the regular Council tasks may cost extra for the Member State holding the presidency as it may need to reinforce the permanent representation in Brussels, send more diplomats to be present at all the meetings in Brussels, and also take care of more officials or politicians visiting the country than usual. A Council presidency may also be a good opportunity for the country to promote its local businesses, tourist attractions or cultural heritage. Therefore, it is customary to organise political, business, social and cultural events connected to the presidency in the home country, in Brussels or other Member States. These meetings require venues, transport, security, travel and accommodations, catering, interpretation and translation, technical support and media logistics.¹ All these extra costs are borne by the Member State, and many of them choose to involve sponsors in covering these. Sponsors mostly contribute in kind, most often with transport solutions, catering, IT or communications. In exchange, these sponsors may be presented with their names and logos alongside official Council Presidency logos.

Evidence of Council presidencies using sponsors can be found already on some of the earliest presidency websites ever set up (e.g. [Finnish presidency of 1999](#)). The practice has become increasingly common in the meantime.

1.2 Petitions

In June 2019, the non-profit organisation [foodwatch](#) submitted a complaint to the Council to regulate corporate sponsorship of the presidency. After receiving no substantial reaction from the Council, they turned to the Ombudsman.²

The first uproar was caused by Coca-Cola's sponsoring of the Romanian presidency in the first half of 2019. The reason for this was manifold: public health issues, as well as the disproportionality of the marketing and the political influence. The organisation questioned the choice of the drinks company as a sponsor amidst an obesity crisis in Europe. They also found the presence of the Coca-Cola logo overwhelming at Presidency events. However, the most pertinent issue was that the possible lobbying, as during the Romanian presidency several food safety and health related issues were on the agenda.³

The reasoning behind the complaint is the lack of transparency and accountability as well as a disproportionate influence of lobbyists and sponsors⁴. While, they claim, Parliament and the Commission had improved transparency in lobbying, the Council 'remains a black box'. Therefore, foodwatch demanded a ban on corporate sponsorship, and transparent procurement practices for any goods and services needed for the Presidency.⁵

Petitions to ban corporate sponsorship of the Council presidency were subsequently launched by [Corporate Europe Observatory](#) and [Climáximo](#).

¹ Examples from [Budget for the Swedish Presidency 2023](#), sweden.eu website

² [Decision of the European Ombudsman in case 1069/2019/MIG on sponsorship of the Presidency of the Council of the European Union](#), European Ombudsman, Case 1069/2019/MIG, 29/06/2020

³ [foodwatch demands end of EU-presidency partnership with Coca-Cola](#), foodwatch Press release, 26/02/2019

⁴ The complainant notably argued that commercial sponsorship of the Presidency of the Council may lead to reputational damage and conflicts of interest, and could undermine public trust. It argued that sponsors may have business interests concerning issues that are the subject of policy- or law-making deliberations during the term of a Presidency.

⁵ [EU-Sponsoring](#), foodwatch



1.3 The Ombudsman file⁶

The Ombudsman concluded that the Council should issue guidance on Presidency sponsorship 'to mitigate the reputational risks to the EU'. As the Council Presidency has an important and influential role in EU policy- and lawmaking, corporate sponsorship may give the impression of sponsors having influence over EU policy, and thus damage the reputation of the Council and the EU as a whole and undermine citizens' trust in the institution. And as the Council Presidency is functionally a part of the Council, it was the Council's responsibility to address the issue. As in its follow-up to the complaint, the Ombudsman noted, *'the Presidency is part of the Council, and must operate in a neutral and impartial manner. When the Presidency organises a meeting or another activity, whether in Brussels or in its home Member State, the wider European public is bound to perceive this activity as linked to the Council and the EU as a whole'*⁷.

Therefore the Ombudsman issued the [Recommendation](#) that *'The Council of the EU should issue guidance to Member States on the issue of sponsorship of the Presidency, to mitigate the reputational risks to the EU.'*

1.4 Parliament scrutiny

During the discharge procedure for the financial year 2017, Parliament expressed *'its concerns about the information reported by the European media regarding the corporate sponsorship of Member States hosting the Union Presidency and echoes the concerns expressed by Union citizens and Members of Parliament'*. While it acknowledged *'that the Member States are expected to finance their own Presidencies'*, it regrets that *'resorting to corporate sponsorship to cover some of their expenses in this regards has become common practice in recent years'*. Parliament is therefore *'highly concerned about the possible reputational damage and the risk of loss of trust that this practice may incur on the Union, its institutions and especially to the Council in the eyes of the citizens of the Union'*. Consequently, it suggests that *'the Council adopt guidelines in order to promote the financial transparency and independency of the Presidencies'*, and *'strongly recommends the Council to envisage budgetisation of the Presidencies'*⁸.

There have also been several written questions by Members to the Council on the topic.⁹

1.5 The Council's reaction

At first the Council reacted to foodwatch's complaint and later to Parliamentary questions along the lines that *'The organisation of the Presidency, including a decision to seek sponsorship for elements of the Presidency, is a matter for the Member State authorities concerned. It is not for the Council to reply to questions that are the responsibility of its Presidency.'*¹⁰

After the Ombudsman opened a case on the issue the Council's response¹¹ provided more detail, nevertheless, without changing its position. Although it admitted that the Presidency was part of the Council, the institution explained that the Presidency's main responsibility is to ensure the smooth running of Council meetings. This task was mainly performed on Council premises and covered by the Council's budget. The reply reiterated that any other activity of the Member State holding the presidency falls outside the Council's authority and their financing is the sole responsibility of the Member State: *'those activities, in which no decisions can be taken, are distinguished from meetings of the Council. They remain under the sole responsibility of the Member State concerned'*.¹²

In its reaction to the draft Recommendation of the Ombudsman, the Council accepts that, although the unofficial activities of the Presidency are clearly distinguishable, in order to avoid reputational risks, it may be 'appropriate to explore the possibility of issuing general guidance' on sponsorship¹³.

⁶ [Decision of the European Ombudsman in case 1069/2019/MIG on sponsorship of the Presidency of the Council of the European Union](#), European Ombudsman, Case 1069/2019/MIG, 29/06/2020

⁷ [Recommendation of the European Ombudsman in case 1069/2019/MIG on sponsorship of the Presidency of the Council of the European Union](#), 6 January 2020

⁸ [European Parliament resolution of 23 October 2019 with observations forming an integral part of the decision on discharge in respect of the implementation of the general budget of the European Union for the financial year 2017, Section II – European Council and Council \(2018/2168\(DEC\)\)](#), P9_TA(2019)0040, 23 October 2019

⁹ [Coca-Cola's sponsorship of Romania's Presidency](#), Question for written answer E-001085-19 to the Council, Dennis de Jong (GUE/NGL), 27.2.2019; [Sponsorship of the Presidency of the Council of the EU by major corporations](#), Question for written answer E-001374/2021/rev.1 to the Council, João Ferreira (The Left), 10.3.2021; [Sponsorship of the Council Presidency](#), Question for written answer P-001390-19 to the Council, Ole Christensen (S&D), 19.3.2019

¹⁰ [Answer in writing](#) to Question for written answer P-001390-19 to the Council by Ole Christensen (S&D) [Sponsorship of the Council Presidency](#), 19.3.2019 and to Question for written answer E-001085-19 to the Council by Dennis de Jong (GUE/NGL) [Coca-Cola's sponsorship of Romania's Presidency](#), 27.2.2019; [Letter to the Secretary-General of the Council of the European Union, Mr Jeppe Tranholm-Mikkelsen, concerning commercial sponsorship of Presidencies](#), 15 July 2019

¹¹ [Response of the Council of the European Union to the Ombudsman's letter concerning commercial sponsorship of Presidencies](#), 23 October 2019

¹² [Answer in writing](#) to the Question for written answer E-001374/2021/rev.1 to the Council by João Ferreira (The Left) [Sponsorship of the Presidency of the Council of the EU by major corporations](#), 10.3.2021

¹³ [Detailed opinion of the Council of the European Union in complaint](#) 1069/2019/MIG, 06.05.2020

Subsequently, the Council accepted, to the satisfaction of the Ombudsman, its recommendation (which thereby closed the inquiry)¹⁴ to issue best practices and adopted the [Guidance for Presidency best practice on the use of sponsorship](#). The guidance upholds the position that *'the Member State holding the six-monthly Presidency is responsible for the costs not covered by the Council's budget, [...] and chooses autonomously how it will finance such costs'*. However, it requests Member States *'to carefully consider the possible impact of the choice of sponsors on the reputation of the Council or the EU'* and *'avoid any conflict of interests and any possible reputational risks for the Council or the EU'*. Another requirement is that the *'sponsorship cannot affect, or be seen to affect, the decision-making of the Council in any way'* and that *'the Council's name or logo cannot be used by the sponsor in its activities'*. It is left to the Member State's discretion, though, *'to establish clear and transparent rules, based on best practice, on sponsor selection criteria as well as on the terms under which sponsorships are awarded'*, and the publication of the list of sponsors is only encouraged.

The guidance was considered insufficient by several NGOs that complained about its highly discretionary nature. It was also pointed out that the version as adopted watered down provisions of a previous draft¹⁵ that recommended putting in place measures to avoid not only 'actual' conflicts of interest, but also 'perceived' ones.¹⁶

2 The sponsors

The list of sponsors of presidencies is retrievable from the live or archived presidency websites since 1999 (see Annex I). It has to be noted that not all websites or pages containing sponsorship information from this period are still retrievable. Also, there are websites which, although fully available, contain no information on sponsorship. This does not necessarily mean that these presidencies did not use this form of financing. The only presidency since the launch of the complaint, that explicitly declared¹⁷ not using corporate sponsorship was that of Germany in the second half of 2020. However, this might possibly be partly also due to the COVID-19 pandemic resulting in limited opportunity to organise unofficial programmes.

2.1 Use of sponsorship

The Council presidencies since 1999 have used at least 276 different corporate sponsors. The number of sponsors for different presidencies varies greatly: some use only a few, others even dozens. In some cases the presidency website provides information on the nature of the contribution of the partners, therefore it is clear that sponsorship can take different forms: financial or in-kind contributions. The Croatian presidency in the first semester of 2020, for instance, used a mixture of the two.¹⁸

2.2 Categorisation of sponsors

A breakdown according to field of activity of sponsors can be found in Annex II. The categories reflect the different tasks a presidency may need to take care of:

- **mobility:** vehicles, airlines, airports, railways, tolls, fuel, research and development and software
- **catering:** food and drink, restaurants
- **ICT:** information technology services, such as web design, content management, information systems, cybersecurity, communication technology, networks, etc.
- **postal services:** postal services and parcel delivery
- **media:** television, radio, print and online media
- **financial services:** banking and insurance
- **office supplies:** computers, printers, copiers, stationery
- **event organisation:** venues, event organisers
- **tourism:** tour operators, attractions, tourist organisations
- **interest groups:** organisations representing professional, regional or social interest
- **other:** includes manufacturers of cutlery used at meetings, gifts, art, and financial contributions

¹⁴ [Decision of the European Ombudsman in case 1069/2019/MIG on sponsorship of the Presidency of the Council of the European Union](#), European Ombudsman, Case 1069/2019/MIG, 29/06/2020

¹⁵ [Guidance for Presidency best practice on the use of sponsorship](#), draft of 24 March 2021

¹⁶ [EU guidelines against sponsorship are insufficient](#), foodwatch, 01.07.2021; [Presidency sponsorship guidelines watered down at last minute](#), Open Government in the EU, July 19, 2021; [End EU Council sponsorship deals now!](#), Corporate Europe Observatory

¹⁷ [Germany's EU Presidency rules out private sponsors in the name of 'independence' and 'integrity'](#), Rafael Cereceda & Carolin Kuter, Euronews, 09.07.2020

¹⁸ [Sponsorship](#), website of the 2020 Croatian Presidency

The most common service to use sponsorship for is mobility, 24 out of the 30 presidencies with available sponsorship data have used such partners. All of the 24 have used cars, mostly provided by the manufacturers or their official importers; some have used car rental services. 10 presidencies received sponsorship from their national airlines, 3 from airports, 2 from the railways and one from a ferry company. Besides the transport providers, 10 presidencies were sponsored by oil companies and 2 by motorway operators. A unique example is Estonia, which set up an autonomous bus service during the presidency using sponsors.

The other types of sponsors most commonly used are those providing catering and ICT services, used by 18 presidencies each. Food and drinks are mostly provided by local companies, however Coca-Cola and Pepsico also appears on the list of sponsors. 11 presidencies used food producers as sponsors, 10 partnered with mineral water brands, 8 with beer brewers, 7 with soft drink producers, 4 with coffee brands, 3 with winemakers, and one had a restaurant as a sponsor. ICT sponsors are dominated by Microsoft, partnering with 9 presidencies. The other typical players in this area are the national telecom companies.

2.3 Recurring sponsors

There are some companies whose name appears among the sponsors of the presidency of more than one Member State (see Annex III). The most prolific among them is the above-mentioned Microsoft, sponsoring the presidencies of 9 Member States, followed by Audi and DHL with 6 and 5 Member States respectively. The majority of these companies work in the automotive sector, which is the one in which the largest number of presidencies looks for partners.



















3 Open questions

Based on the above-mentioned developments, general question remain open as regards next steps on the issue of corporate sponsorships of EU Presidencies.

- What does the Council foresee in terms of follow-up to its Guidance?
- Are there plans for monitoring and evaluating in future the extent to which such Guidance has been implemented by Member States?
- Do stakeholders involved in the process assess that the risks posed by sponsorships practices would merit the adoption of a binding framework?
- Should such framework cover broader sponsorships practices of public bodies within Member States?

Annex I - Presidencies and their sponsors

Presidency	Period	Sponsors	Link
	1998/1	No sponsorship information on website	link
	1998/2	Website not retrievable any more	link
	1999/1	No website	
	1999/2	Volvo Auto Oy, Renault, Finnish Forest Foundation, Canon, Hartwall, Finnair	link
	2000/1	Website not retrievable any more	
	2000/2	No website	
	2001/1	Cloetta Fazer, Lantbrukarnas Riksförbund, Pripps, Stora Enso, Volvo, Pharmacia, IL Recycling, SAS, Ericsson, Telia	link
	2001/2	Website only partially retrievable	link
	2002/1	Website not retrievable any more	
	2002/2	hp, Eterra, Audi, Carlsberg, Krak, KelsenBisca, Sharp, Infomedia	link
	2003/1	Website not retrievable any more	
	2003/2	Alitalia, City of Sanremo, Dolce Italia, Federvini, Fiat, Telecom Italia, Tim	link
	2004/1	Audi, Kerrygold, Cooley, Dell, Jameson, Eircom, Tipperary, Cavanagh, Microsoft	link
	2004/2	No sponsorship information on website	link
	2005/1	No sponsorship information on website	link
	2005/2	No sponsorship information on website	link
	2006/1	Audi, Volkswagen, OMV, ORF, Vienna Insurance Group (Wiener Städtische Allgemeine Versicherung AG), Vöslauer, Post AG, Mondi, DHL, Mirabell, Salesianer Miettex, Austrian Airlines, Siemens, Riedel, Land Vorarlberg, Zumtobel AG, Austrian Armed Forces, Helmut Sachers Kaffee	link
	2006/2	Finnish Forest Foundation, Volvo Auto Oy Ab, Helsinki Water and Yleisradio Oy	link
	2007/1	DaimlerChrysler AG, Audi AG and VW-Nutzfahrzeuge AG	link
	2007/2	Website not retrievable any more	
	2008/1	No sponsorship information on website	link
	2008/2	ST Groupe, BT France, TOUTELEUROPÉ.FR, Modedemploi, ReadSpeaker, Géoportail par l'Institut Géographique National français, Meteo France, NEXINT	link
	2009/1	Avnet, DHL, Microsoft, Mattoni, Plzensky Prazdroj, TTD, O2, Cesky Rozhlas, Mlada Fronta DNES, CBW, Euractiv, Ceska Televize,	link
	2009/2	No sponsorship information on website	link
	2010/1	Audi, Skoda, Volkswagen, Seat, Microsoft, Telefónica, Renfe, Sol Melía, BOE, Patrimonio Nacional, Correos, Real Casa de la Moneda, Turespaña, Iberia	link
	2010/2	No sponsorship information on website	link























	2011/1	Porsche Hungaria, Samsung, Volkswagen, Skoda, Audi, Malév, OneWorld, Congress Rental Network, Magyar Posta, Saab, StreamNet, T-Systems, Polycom, Budapest Airport, Theodora, MOL, Microsoft, RentIt	link
	2011/2	Peugeot, Scania, Coca-Cola, PKN Orlen, Microsoft, TP Group/Orange, BKG, DHL, EurActiv, Klub Polskiej Rady Biznesu, Lotnisko Chopina, LOT, NK, Onet, Polskie Radio, dla zagranicy, Multikino, Pekaes, Fundacja Aeris Futuro	link
	2012/1	Audi, Danfoss, Republic of Fritz Hansen, DHL, Danish Wind Industry Association, Konica Minolta, SAS Scandinavian Airlines, nonbye	link
	2012/2	Cyta, Emporion Plaza Ltd, Cablenet, Microsoft, Opap Cyprus Ltd, Cyprus Labour Institute, Peo, Logicom, Eurobank, Cyprus Shipping Chamber, Cooperative Central Bank Ltd, Cooperative Credit Society Strovolou, Selas Publications Ltd	link
	2013/1	Eircom, Audi, Tipperary Natural Spring Water, Kerrygold	link
	2013/2	Krasta Auto, ORLEN Lietuva, Birštono mineraliniai vandenys ir Co, Baltic Data Center, DHL Lietuva, G4S Lietuva, Apiterapijos centras, Švenčionių vaistažolės, Žemaitijos pienas, Lietuviško ūkio kokybė, Skonis ir kvapas, „Švyturys-Utenos alus“, „Alita“, „Rūta“, „Lietuviškas midus“.	link
	2014/1	Piraeus Bank, Kosmocar, OTE-KOSMOTE, National Bank, Alpha Bank, Eurobank, Volkswagen Bank, Microsoft, Mirsini Kontos, Goldair Group, hp, Coca Cola 3E, Pepsico Tasty, Cocomat, Piraiiki Microbrewery, Loux, Kpi Kpi Greek Dairy Industry, Central Vip Services, Gregory's, Folli Follie, Mamidoil Jetoil, Speedy Car Wash, Elbisco, Attikes Diadromes, Chanos, Aegean, Athens International Airport, Eleftherios Venizelos	link
	2014/2	No sponsorship information on website	link
	2015/1	No sponsorship information on website	link
	2015/2	BMW, Petro-Center, Ville de Luxembourg, Luxembourg Tourist Office, MUDAM, Post Luxembourg, Luxair	link
	2016/1	No sponsorship information on website	link
	2016/2	Peugeot, Orange, Eset, Ardaco, Slovnaft, Microsoft	link
	2017/1	Website not retrievable any more	
	2017/2	BMW, Mercedes Benz, Tallink, Milrem, Guardtime, Microsoft, DSV, RGB, Viksel studio, Kalev, Tere, Dunker	link
	2018/1	No sponsorship information on website	link
	2018/2	Porsche Austria (Audi), ORF, ÖBB, Vienna Insurance Group, Vöslauer, Rauch, Post AG, Heindl, Mondi, DHL, A1, Microsoft, Vienna's Augarten Porcelain Manufactory, „Zur Schwäbischen Jungfrau“	link
	2019/1	Mercedes-Benz, Coca-Cola, Renault, Digi, OMV, Enel, Berarii Romaniei, TVR, Radio Romania, Agerpres	link
	2019/2	BMW	link
	2020/1	Citroën and Peugeot, HP- Hrvatska pošta, HPB - Hrvatska poštanska banka, HC - Hrvatske ceste, HEP - Hrvatska elektroprivreda, HL - Hrvatska lutrija, OIV - Odašiljači i veze, HŽ infrastruktura, Jadrolinija Rijeka, Hrvatske autoceste, Autocesta Rijeka - Zagreb, INA	link
	2020/2	None	link








	2021/1	Delta Cafés, sumol+compal, The Navigator Company	link
	2021/2	Radeče papir nova, BLOKODA, Pulp and Paper Institute, Telekom Slovenije, Dana, Cifra komunikacijski sistemi, Mediainteractive, Zajc Polona - Pottery Art, Dr. Orel - Buckwheat Beer	link
	2022/1	Renault, Stellantis (No information on website)*	link
	2022/2	Skoda, Volkswagen, České radiokomunikace, Czech Technical University in Prague, Faculty of Electrical Engineering, Department of Cybernetics, Association for Virtual and Augmented Reality (AVRAR), EURid Services s.r.o., Amplla a.s., DEVINN s.r.o., PETROF spol. s.r.o., BringAuto s.r.o., Lesy České republiky, s.p., Budějovický Budvar, Pavlovín, spol. s.r.o., Montano Valtr, Spolek Ekovín, Enterprise 4 Education, Plzeňský Prazdroj a.s., Ekovín, VAFO Praha s.r.o., Ďuro Ďaković Grupa d.d., BLOOM PRODUCTION, BLOCKAD S.R.O., Bill & Melinda Gates Foundation, Bruce Ashley Group Inc., Colt Canada Corporation, Tom and Dana Velanovi, Robert Arthur, Emerging markets capital, a.s, ČEZ, a.s., ALLWYN AG, CZECHOSLOVAK GROUP, a.s., S. A. D'Ileteren – ŠKODA import	link
	2023/1	None**	link
	2023/2		

* source: [No sponsorship deals for the French EU Presidency](#), Corporate Europe Observatory































































** more information: [Stockholm opens door to sponsorship for EU presidency](#), Politico, Sarah Wheaton, 9 January 2023

Annex II - Categories of sponsors

Presidency	Period	Field of activity											Total #
		<i>mobility</i>	<i>catering</i>	<i>ICT</i>	<i>postal services</i>	<i>media</i>	<i>financial services</i>	<i>office supplies</i>	<i>event organisation</i>	<i>tourism</i>	<i>interest groups</i>		
 Finland	1999/2	3	1					1					6
 Sweden	2001/1	2	2	2							2		11
 Italy	2003/2	2		2						1	2		7
 Ireland	2004/1	2	4	2				1					9
 Austria	2006/1	4	4		2	1	1			1			16
 Finland	2006/2	1				1		1					5
 Germany	2007/1	3											3
 France	2008/2			8									8
 Czechia	2009/1		2	2	1	5		1					12
 Spain	2010/1	6		2	1	1				3			14
 Hungary	2011/1	9	1	3	1			1	3				18
 Poland	2011/2	5	2	2	1	4	1				1		18
 Denmark	2012/1	2		1	1			1			1		10
 Cyprus	2012/2			4			3	1			3		13
 Ireland	2013/1	1	2	1									4
 Lithuania	2013/2	2	8	2	1						1		16
 Greece	2014/1	7	7	2			5	1		1			28
 Luxembourg	2015/2	3			1					3			7
 Slovakia	2016/2	2		4									6
 Estonia	2017/2	7	3										12
 Austria	2018/2	2	3	2	2	1	1						14
 Romania	2019/1	3	2	1		3						1	10

 Finland	2019/2	1											1
 Croatia	2020/1	5	3										16
 Germany	2020/2												0
 Portugal	2021/1		2					1					3
 Slovenia	2021/2		2	4				1					9
 France	2022/1	2											2
 Czechia	2022/2	3	5	1		2						20	31
number of sponsors		78	55	45	11	19	11	13	3	9	10	61	
number of presidencies		24	18	18	9	9	5	11	1	5	6	18	

Annex III - Multinational corporations sponsoring the presidency of more than one Member State

BRAND	MEMBER STATE	#MS
Microsoft	       	9
Audi	     	6
DHL	     	5
Peugeot, Citroën / Stellantis	   	4
Volkswagen	    	4
BMW	  	3
Coca-Cola	   	3
Mercedes/Daimler AG	   	3
Škoda	   	3
Euractiv	 	2
hp - Hewlett Packard	 	2
OMV	  	2
Orange	 	2
Renault	  	2
SAS - Scandinavian Airlines	  	2
Volvo	  	2

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Administrator responsible: András SCHWARCZ, Francisco PADILLA

Editorial assistant: Mirari URIARTE

Contact: Poldep-Budg@ep.europa.eu

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BIOGRAPHIES OF SPEAKERS



Rosita Hickey
*Director of Inquiries at the
European Ombudsman*

Rosita Hickey has a multidisciplinary background — in economics, law, public administration, politics and French — and has studied at the College of Europe in Bruges, King's College London and University College Dublin. She started her career as a journalist, then worked in DG Agriculture at the Commission, before joining the European Ombudsman in 2001.

After ten years in communications, she worked as a legal officer before becoming Head of the Ombudsman's Strategic Inquiries Unit. She then moved to the Ombudsman's Cabinet as Senior Adviser on inquiries. She was appointed Director of Inquiries at the European Ombudsman in September 2020, helping to oversee the full range of EU institutions, bodies and agencies, and covering everything from ethics to access to documents, human rights, procurement and transparency.



Alice Krutilová

Director of the Czech EU Presidency Department at the Government's Office

Alice Krutilová, director of the Department for the Czech Presidency of the Council of the EU at the Office of the Government of the Czech Republic. She has been in charge of central coordination of preparation and running of the Czech Presidency of the Council of the EU 2022 in the areas of programme and priorities preparation, logistics and organisation, and communication and culture. Previously she has been director of department dealing with the MFF, national reform and national recovery plans, and EU digital agenda. She has also been posted to the Permanent Representation of the Czech Republic to the EU, firstly as Mertens and secondly as Brexit delegate. Prior to that, she has served as head of unit for coordination of Coreper I at the Office of the Government of the Czech Republic and desk officer for competitiveness.



Shari Hinds
***Policy Officer on EU Political
Integrity, Transparency International
EU***

Shari Hinds is a Policy Officer at Transparency International EU. She is TI EU's policy lead on EU Political Integrity. Her work includes advocacy on conflicts of interest, revolving doors and lobbying.

PRESENTATIONS

**Presentation by Alice Krutilova
Director of the Czech EU Presidency
Department at the Government's Office**

European Parliament's Committee
on Budgets, 27 June 2023

Sponsorships of EU Presidencies: stocktaking and perspectives



CZECH PRESIDENCY OF THE COUNCIL OF THE EU, SECOND
HALF 2022

1. General Framework: rules adopted by the
Government
2. Transparency
3. Tracking and ex-post evaluation



1. General Framework: rules adopted by the Government

- **Political** decision to work with the concept of sponsorship, as per during the first CZ PRES in 2009
- 1) Sponsorship by the Central coordinator for the CZ PRES = strict public procurement with a limited scope (e.g. car fleet)
- 2) Sponsorship used by other government bodies associated to the CZ PRES = common rules and control
- **Framework rules** adopted by the Government 1,5 years prior to the CZ PRES
- Goals:
 - establishing a mechanism to **control** the use of non/financial partnerships associated with the CZ PRES/Council,
 - **one set of rules** applicable to all CZ state administration incl. embassies,
 - requests processed by the **Central coordinator** of the CZ PRES (Office of the Government)



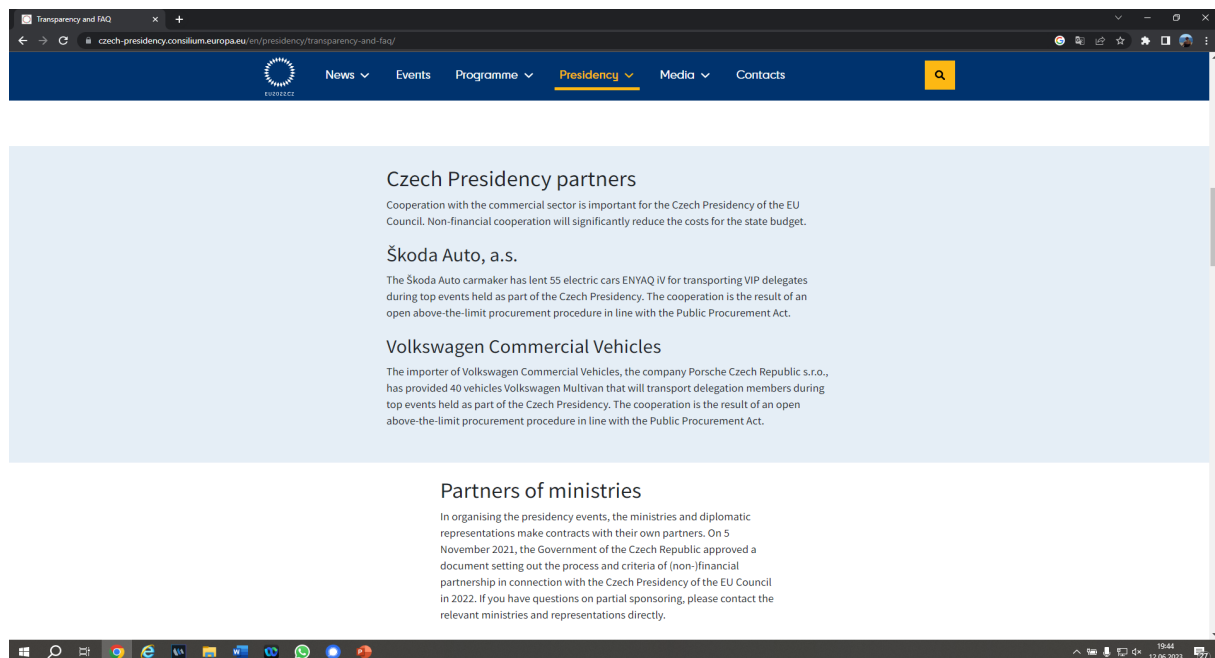
1. General Framework: rules adopted by the Government

- Reflects:
 - the recommendation of the GSC (*Sponsorship of the Presidency of the Council on the EU: guidance on best practice*) as of 22/6/2021,
 - „do's and don'ts" of other EU Council presidencies
 - law on public procurement 134/2016 Col.
- Lists **8 non taxative criteria** to evaluate potential partnerships, e.g.: respect to the values of the EU/CZ; protection of human rights; respect of principles of environmental protection; against violence; avoiding conflict of interest, interfering with the legislative proces at the European and national elevel; transparency criteria



1. General Framework: rules adopted by the Government

- Sets an **evaluation mechanism**:
 - 1) the applicant (e.g. Ministry or an Embassy) submits a form to the Central coordinator after checking the potential sponsor meets the criteria,
 - 2) the applicant submits a sworn declaration (fulfilling criteria), if relevant incl. the demand of the sponsor to use the CZ PRES logo,
 - 3) the Central coordinator evaluates the documents within 15 days and issues a decision.
- In case of a **positive** decision: the sponsoring is permitted, incl. the use of the logo
- In case of a **negative** decision: the sole responsibility of the use of the finances is upon the applicant, although association with the CZ PRES is forbidden as is the use of the logo



The screenshot shows the 'Transparency and FAQ' page of the Czech Presidency website. The 'Presidency' menu is active, displaying a list of entities categorized by ministry:

- Ministry of Industry and Trade**
 - České radiokomunikace (Czech Radio-communications, CRA)
 - Czech Technical University in Prague, Faculty of Electrical Engineering, Department of Cybernetics
 - Association for Virtual and Augmented Reality (AVRAR)
 - EURid Services s.r.o.
 - Amplia a.s.
 - DEVINN s.r.o.
 - PETROF spol. s.r.o.
 - BringAuto s.r.o.
- Ministry of Agriculture**
 - Lesy České republiky, s. p. (Czech State Forests)
 - Budějovický Budvar (Budweiser Budvar brewery)
- State Veterinary Administration**
 - Pavlovín, spol. s.r.o. (winery)
- Central Institute for Supervising and Testing in Agriculture**
 - Montano Valtr
 - Spolek Ekovín
- Ministry of Foreign Affairs**
 - Enterprise 4 Education
- Ministry of Finance**
 - Plzeňský Prazdroj a.s. (Pilsner Urquell brewery)

The screenshot shows the 'Transparency and FAQ' page of the Czech Presidency website. The 'Presidency' menu is active, displaying a list of entities categorized by embassy and the Permanent Representation of the Czech Republic to the EU:

- Embassy of the Czech Republic in Zagreb**
 - Duro Đaković Grupa d.d.
- Embassy of the Czech Republic in Madrid**
 - Volkswagen Group España Distribución S.A.
- Embassy of the Czech Republic in Paris**
 - Volkswagen Group France
 - BLOOM PRODUCTION
 - BLOCKAD S.R.O.
- Embassy of the Czech Republic in Brussels**
 - Bill & Melinda Gates Foundation
- Embassy of the Czech Republic in Ottawa**
 - Bruce Ashley Group Inc.
 - Colt Canada Corporation
 - Tom and Dana Velanovi
 - Robert Arthur
- Permanent Representation of the Czech Republic to the EU**
 - Emerging markets capital, a.s.
 - CEZ.a.s.
 - ALLWYN AG
 - CZECHOSLOVAK GROUP, a.s.
 - S. A. D' Illeteren – ŠKODA import

3. Tracking and ex-post evaluation

- The Government has adopted a complex **evaluation** of the CZ PRES on 4/1/2023 including a chapter on the sponsorship
- 1) Sponsorship by the Central coordinator for the CZ PRES: two tenders (public procurement) for the car fleet
- 2) Sponsorships used by other government bodies associated to the CZ PRES: 39 green-lighted partnerships corresponding to the value of 90k EUR



Thank you for your attention.

Questions?

krutilova.alice@vlada.cz





EU2022.CZ

The workshop highlighted various aspects and perspectives around corporate sponsorship of EU Presidencies, including the follow-up of the EU Ombudsman's recommendations and Council guidelines on the subject-matter.

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Administrators responsible: Francisco PADILLA OLIVARES

Editorial assistant: Mirari URIARTE

Contact: Poldep-Budg@ep.europa.eu

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