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## EU Taxpayer Funded Environmentalism

Many major environmentalist groups have received substantial subsidies from the European Union since 1997 under the LIFE+ programme. Taxpayers pay twice: once for the grants, then again with the higher prices that result when environmentalist groups successfully campaign for new regulations.

Many of those environmentalist groups have received significant funding over fifteen years from when the LIFE+ programme was established in 1997 to the latest data in 2011:

- Total funding to environmentalist groups has been over €100 million, approximately £86 million at the current exchange rate. At Britain's share of gross contributions to the EU budget, that is around €10.1 million, or £8.6 million.
- The European Environmental Bureau has received the most funding – nearly €12 million (£10 million).
- 25 groups have received more than €1 million, up from 19 groups in the past year alone, including Friends of the Earth (£5.8 million) and the Climate Action Network (£2.2 million). Many of the other groups funded by LIFE+ are also members of the European Environmental Bureau, thus receiving additional indirect support.

That funding is an unfair subsidy on behalf of many people who may not agree with the environmentalist campaigns' objectives and biases European environmental policy.

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## Problems with taxpayer funded environmentalism

### **Taxpayers funding groups they disagree with**

While most people appreciate the natural environment and support protecting it, expensive and far reaching regulations are often far more controversial.

Many of the campaigns funded support introducing more stringent targets to reduce greenhouse gas emissions, which would likely result in significantly higher costs. For example, the European Environmental Bureau accused the Polish Government of being "short-sighted" for opposing a unilateral move towards the 30 per cent target for emissions reductions by 2020.<sup>1</sup>

That increase in the short term target was initially offered at the Copenhagen Climate Conference and contingent on other countries agreeing to a binding global deal. Such a deal is now clearly not forthcoming. To go ahead anyway could impede economic growth, which would concern many taxpayers but possibly not some of the organisations funded under LIFE+. CEE Bank Watch argues for "climate-friendly development that is not driven by economic growth per se".<sup>2</sup>

The European Environmental Bureau has recommended that minimum levels should be introduced for energy taxes such as Fuel Duty.<sup>3</sup> While Britain already had the highest taxes on motor fuel in Europe in September 2011, a minimum could still mean a further rise to above the current rate over time. It would also stop a government choosing to reduce the excessive burden on motorists in the future.

### **Undermining their independence**

The independence of the environmentalist campaigns themselves is also undermined by taxpayer funding. Greenpeace has a stated policy of accepting no funding from governments, in order to safeguard its independence, which it calls one of its "core values". There have been violations of that policy, for example with lottery funding in the Netherlands,<sup>4</sup> but it is telling that they understand the implications that taxpayer funding would have for their organisation.

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<sup>1</sup> European Environmental Bureau *Short-sighted Poland hampers Europe's climate ambitions*, 12 March 2012

<sup>2</sup> CEE bankwatch network Themes we work on, available from: <http://bankwatch.org/our-work/our-themes>

<sup>3</sup> European Environmental Bureau *Quick fix but no long-term vision from the European Parliament on the energy tax directive*, 19 April 2012

<sup>4</sup> *Dagelijkse Standard* Postcode Loterij overtreedt wet op kansspelen, 17 August 2010

Many of the groups listed in this report receive taxpayer funding from a number of sources. For example, the European Environmental Bureau, in its Annual Report 2011, lists its sources of funding for 2010 and 2011.<sup>5</sup>

### European Environmental Bureau public sector funding

	2010, €	2011, €
European Commission	898,912	894,000
United Nations Environment Programme	38,757	45,466
OECD	17,425	14,493
Austria	15,000	12,000
Belgium	22,000	22,000
Belgium (Brussels)	25,000	-
Czech Republic	10,000	5,000
Denmark 2009-10	6,560	-
Denmark	30,000	30,000
Estonia	-	2,000
Finland	15,000	15,000
France	45,000	45,000
Germany - 2009 - 2010	9,650	-
Germany	60,000	35,000
Greece	10,000	-
Italy	-	7,000
Luxembourg	3,000	3,000
Netherlands	70,000	40,000
Norway	12,000	25,473
Spain	56,907	26,679
Sweden	29,195	14,000
United Kingdom	16,587	-
<b>Total public sector income</b>	<b>1,390,993</b>	<b>1,236,111</b>
<b>Total income</b>	<b>2,218,527</b>	<b>2,174,202</b>
<b>Public sector share in total income</b>	<b>63%</b>	<b>57%</b>

With nearly 60 per cent of their funding coming from the public sector, it is hard to see the European Environmental Bureau – the umbrella group for many of the others listed in this report, including Friends of the Earth – as a meaningfully independent non-governmental organisation. Earlier TaxPayers' Alliance research found a similar pattern with many groups receiving funding from both British public sector bodies and the EU.<sup>6</sup>

<sup>5</sup> EEB Annual Report 2011, p. 22-23.

<sup>6</sup> Available from: <http://www.taxpayersalliance.com/tfe.pdf>



This is particularly important as many of these organisations are increasingly being drawn directly into policymaking. For example, charities like WWF are involved in the creation of ethical standards for products from biofuels to timber. The purchasing power of the public sector is increasingly being used to promote those standards and this is likely to increase with a new policy on Corporate Social Responsibility. The Commission argues should mean “leveraging EU policies in the fields of consumption, investment and public procurement in order to promote market reward for responsible business conduct.”<sup>7</sup>

If environmentalist campaigns are largely funded with money raised in taxes and have an increasingly direct role in public sector decision making, their status as true non-governmental organisations is undermined. They are more and more like non-departmental public bodies or public corporations that exist in a grey area between the public and private sectors. If that continues then they need to be subject to greater public accountability than is expected with genuinely independent and privately funded organisations.

### **Collusion with commercial interests**

Funding for environmentalist campaigning is sometimes justified on the grounds that it balances corporate lobbying against environmental regulations. However that misunderstands the nature of the debate over those regulations. The debate is never between a uniform corporate interest in less regulation and an environmentalist campaign for more. New regulations create profits for some businesses and costs for others. Those costs may also be passed on to consumers.

For example, the European Union Emissions Trading System creates substantial new profits in the energy sector. WWF call it “a crucial cornerstone of climate change policy in the UK and Europe” and have attacked the “lax caps proposed by many member states”.<sup>8</sup> If those caps were tightened that would be likely to mean higher profits in the energy sector, particularly for nuclear generators like EDF Energy that have successfully lobbied for a carbon price floor in the United Kingdom. It would also mean higher costs for manufacturing industries, threatening jobs at exporting firms, and consumers.<sup>9</sup>

Another example is the legal case that Friends of the Earth successfully brought against the British Government over cuts in solar subsidies. The case was successful thanks to a procedural failure on the Government’s part, scheduling cuts to come in before the close

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<sup>7</sup> Available from: [http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index_en.htm)

<sup>8</sup> WWF *Use of CDM/JI project credits by participants in Phase II of the EU Emissions Trading Scheme – a WWF summary of the preliminary findings from the Ecofys UK report*, October 2006

<sup>9</sup> For more information on the potential impact on manufacturing industry, see: <http://www.taxpayersalliance.com/energyintensiveindustries.pdf>



of the official consultation. Friends of the Earth brought the case along with two commercial firms – Solarcentury and HomeSun – and, in the press release announcing their victory, called for more money to support solar installation.<sup>10</sup> Their contribution to success in the legal action will have increased profits across the solar sector and particularly for those firms that brought the case alongside them. Taxpayers' money is not only paying for both sides of a legal case but also clearly supporting a particular corporate interest.

Other groups funded through LIFE+ have also launched legal challenges against the British Government, including dedicated legal organisations such as ClientEarth which claims to be "providing a new service to Europe's NGOs: legal muscle".<sup>11</sup>

### **Bias in European policy**

While lobbying and professional political campaigning may sometimes be ugly, they have a vital democratic purpose. But taxpayer funded lobbying and political campaigning does not represent any independent economic or popular interest. It promotes the priorities of politicians or officials and allows them to cement or expand their existing influence. It acts to reinforce existing political judgements.

The objectives of taxpayer funded politics are closely aligned to those of the politicians and officials granting the funding. Officials and politicians are, in many ways, not representative of the broader population. They are more likely to live in city centres, less likely to drive, generally well-off and work in the public sector.

They are likely to approve of the present direction of policy, as they are the ones who set that direction, and will thus be the last to admit that the current course of direction must be changed. This will mean that taxpayer-funded lobbying and political campaigning slows changes in response to new evidence or circumstances. This includes the drive toward increasingly draconian targets to limit greenhouse gas emissions in Europe, where policy is continuing to develop in the same direction despite other countries making it clear they are unwilling to adopt similar targets for cuts in emissions by 2020.

The organisations funded by LIFE+ also take political positions that contradict Britain's interests, though they are in line with the policy goals of the European Union institutions. For example, Friends of the Earth campaigns for a Financial Transaction Tax.<sup>12</sup> The incidence of the tax would most likely initially fall on savers and, over time, on workers<sup>13</sup>

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<sup>10</sup> Friends of the Earth *UK government solar cuts are illegal, says high court*, 21 December 2011

<sup>11</sup> ClientEarth, Partnerships, Available here: <http://www.clientearth.org/about/partnerships/>

<sup>12</sup> Friends of the Earth *Global week of action for a Robin Hood Tax*, 16 May 2012

<sup>13</sup> Matheson, T. *Taxing Financial Transactions: Issues and Evidence*, IMF Working Paper, WP/11/54, March 2011



thus creating a new burden on taxpayers. It would also impose a particular burden on Britain by making our financial services sector by decreasing global competitiveness.



## EU funding of environmentalist groups, 1997-2012

The statistics in this table are sourced from European Commission lists of funded NGOs 1997-2012.<sup>14</sup> Some of the organisations have been aggregated under different titles, for example the European Environmental Bureau received funding under its French name in 2004. The conversion to pounds sterling is at the current exchange rate at the time of writing: £0.85 : €1.

Organisation	Country	Amount €, 2012	Total €, 1997-2012	Total £, 1997-2011
European Environmental Bureau (EEB)	Belgium	810,900	11,758,285	10,037,578
World Wide Fund - European Policy Office	Belgium	559,974	8,219,873	7,016,977
Friends of the Earth, Europe (FOEE)	Belgium	733,162	6,842,335	5,841,028
Mediterranean Information Office MIO-ECSDE	Greece	406,319	3,650,289	3,116,106
CEE Bankwatch Network	Czech Republic	341,884	3,420,740	2,920,149
BIRDLIFE Europe	Belgium, Netherlands	345,082	3,048,347	2,602,252
Coalition Clean Baltic (CCB)	Sweden	-	2,850,915	2,433,712
European Federation for Transport & Environment (Federation T&E)	Belgium	235,161	2,841,853	2,425,976
Climate Action Network Europe (CAN)	Belgium	234,046	2,586,727	2,208,185
WECF-Women in Europe for a Common Future	Netherlands	277,295	2,539,157	2,167,577
European Forum on Nature Conservation & Pastoralism (EFNCP)	UK	473,746	2,412,150	2,059,156
Health and Environment Alliance Network (HEAL)	Belgium	342,109	2,193,315	1,872,345
Avalon Foundation	Netherlands	-	2,105,205	1,797,129
World Wide Fund International, Danube, Carpathian Programme	Austria	180,738	2,078,915	1,774,687
International Friends of Nature (IFN/NFI - Naturfreunde Internationale)	Austria	230,428	1,976,827	1,687,538
EUROSITE	France and Netherlands	59,515	1,604,412	1,369,622
Eurogroup for Wildlife & Laboratory Animals (EWLA)	Belgium	180,200	1,519,872	1,297,454
ClientEarth	UK	-	1,483,383	1,266,305

<sup>14</sup> Available here: [http://ec.europa.eu/environment/ngos/list\\_ngos97\\_07.htm](http://ec.europa.eu/environment/ngos/list_ngos97_07.htm)



Organisation	Country	Amount €, 2012	Total €, 1997-2012	Total £, 1997-2011
Central and European Working Group for Enhancement of Biodiversity (CEEWEB)	Hungary	211,734	1,466,719	1,252,079
European Cyclists' Federation	Belgium	338,523	1,422,937	1,214,704
FERN	Netherlands	111,920	1,257,683	1,073,634
European Public Health Alliance Environment Network	Belgium	-	1,188,338	1,014,437
Coordination Europeenne des Amis de la Terre	Belgium	-	1,113,595	950,632
International Federation of Organic Agriculture Movements EU Group (IFOAM)	Belgium	226,940	1,022,870	873,183
European Environmental Citizens Organisation (ECOS)	Belgium	167,045	1,006,495	859,205
EUCC - The Coastal Union	Netherlands	-	935,998	799,024
Stichting Seas at Risk	Netherlands	-	909,911	776,755
Northern Alliance for Sustainability ANPED	Netherlands	-	894,407	763,519
Justice & Environment - European Network of Environmental Law Organisations	Netherlands	167,609	892,677	762,043
Naturfreunde Internationale	Austria	-	866,783	739,938
International Solar Energy Society e.V.	Germany	-	866,341	739,561
SLOW FOODS	Italy	414,460	854,220	729,213
European Water Partnership	Belgium	397,113	838,007	715,373
Taiga Rescue Network	Sweden	-	808,782	690,425
Agree.net Association	Czech Republic	-	791,366	675,557
Baltic Environmental Forum Latvia (BEF)	Latvia	-	729,742	622,952
Health Care Without Harm Europe	Netherlands	-	640,324	546,619
European Water Association (EWA)	Germany	90,100	600,972	513,026
Stockholm Environment Institute/Climate Network Europe	Sweden	-	586,043	500,281
Institut fur Weiterbildung und Beratung im Umweltschutz	Germany	-	576,392	492,043
Foederation der Natur-und Nationalparke Europas (Foederation EUROPARC)	Germany	-	571,052	487,484
International Network for Sustainable Energy Europe (INFORSE)	Denmark	-	568,498	485,304
MED Forum	Spain	-	564,675	482,040
Pesticides Action Network Europe Foundation (PAN-E)	UK	-	528,658	451,294
European Union for Coastal Conservation	Netherlands	136,524	511,296	436,473
Seas at Risk Federation (SAR)	Belgium	90,010	477,954	408,010
Birdlife International	UK	-	477,090	407,273





Organisation	Country	Amount €, 2012	Total €, 1997-2012	Total £, 1997-2011
Panparks	Netherlands	-	422,041	360,280
Carbon Disclosure Project (CDP)	Germany	413,397	413,397	352,900
NGO Platform on Shipbreaking	Belgium	164,097	388,323	331,496
Stichting Milieukontakt Oost-Europa	Netherlands	-	362,488	309,442
Europarc Federation for Transport and Environment	Belgium	-	351,950	300,446
"Forum Franken" Oekologische Bildungsstaette Oberfranken	Germany	-	350,000	298,781
The Danish Outdoor Council on behalf of the Federation for Environmental Education in Europe (FEEE), as European Co-ordinator of the European Blue Flag Campaign	Denmark	-	348,561	297,553
A. Rocha International	UK	-	346,280	295,605
European Centre for Nature Conservation (ECNC)	Netherlands	335,240	335,240	286,181
Federation of Associations for Hunting and Conservation of the EU (FACE)	Belgium	144,160	318,678	272,043
Alliance for Northern People on Environmental Development	Netherlands	-	318,525	271,912
International Institute for the Urban Environment	Netherlands	-	314,334	268,334
Association Internationale Forets Mediterraneennes	France	-	294,402	251,319
Environment Education Network	Romania	-	276,000	235,610
Environment Partnership for Sustainable Development Association	Czech Republic	-	272,944	233,001
European Landowners Organisation (ELO)	Belgium	-	263,100	224,598
Rreuse (Re-Use and Recycling European Union Social Enterprises)	Belgium	-	251,547	214,736
International Solid Waste Association	Denmark	-	204,709	174,752
Global Ecovillage Network	Italy	-	201,762	172,236
National Society of Conservationists	Hungary	-	200,000	170,732
Friends of the Earth Scotland	UK	-	192,832	164,613
Baltic Environmental Forum Lithuania (BEF)	Germany	-	191,200	163,220
Danube Environmental Forum (DEF)	Slovakia and Hungary	-	183,165	156,361
Aquanet Europe Foundation	Netherlands	-	182,731	155,990
Stichting Afval & Milieu	Netherlands	-	182,395	155,703
Baltic Environmental Forum Germany (BEF)	Germany	180,200	180,200	153,830
Justice and Environment	Netherlands	-	169,736	144,897
Partnerstvi pro Udrzitelny Rozvoj	Czech Republic	-	168,911	144,193



Organisation	Country	Amount €, 2012	Total €, 1997-2012	Total £, 1997-2011
Bodenseestiftung - Internationale Stiftung fuer Natur und Kultur	Germany	-	151,853	129,631
Inter-Environnement Wallonie	Belgium	-	150,000	128,049
Sea Alarm	Belgium	-	148,077	126,407
SAFE Alliance - Sustainable Agriculture, Food and Environment on behalf of Alliances for Sustainable Agriculture	UK	-	147,303	125,747
Bellona Europa	Belgium	-	144,427	123,292
Environmental Partnership for Sustainable Development Association (EPSD)	Czech Republic	-	143,073	122,136
European Centre for Eco Agro Tourism (ECEAT)	Netherlands	-	140,000	119,512
Orme Elo	Belgium	-	133,978	114,372
Friends of the Earth Netherlands	Netherlands	-	125,000	106,708
Stichting Landbouwvoorlichting DLV	Netherlands	-	123,826	105,705
Regional Environmental Center	Hungary	-	123,688	105,587
Universite Europeenne de l'Environnement	France	-	121,607	103,811
Eurogroup for Animal Welfare	Belgium	-	120,000	102,439
Nederlands Instituut voor Volksontwikkeling en Natuurvriendenwerk	Netherlands	-	111,945	95,563
Eco Mare, Centrum voor Wadden en Nordzee	Netherlands	-	111,398	95,096
Iniciativa Karpatskeho Ekoregionu	Slovakia	-	108,420	92,554
Saar-Lor-Lux Umweltzentrum der Handwerkskammer Trier	Germany	-	107,968	92,168
Solidarite Eau Europe-Solidarity Water Europe	France	-	107,371	91,658
Environmental Protection Agency of Copenhagen	Denmark	-	107,301	91,599
Sonderjyllands Amt	Denmark	-	104,969	89,608
AXI Dienstcentrum vzw	Belgium	-	100,000	85,366
Bundesverband fuer Umweltberatung	Germany	-	100,000	85,366
Ecoteam - Dr. Selgrad & Partner Umwelt-und Unternehmensberatung GmbH	Austria	-	100,000	85,366
Euromontana	France	-	100,000	85,366
Eurosolar	Germany	-	100,000	85,366
Naturschutzbund Deutschland	Germany	-	100,000	85,366
Stichting Wetlands International	Netherlands	-	100,000	85,366
Television Trust for the Environment	UK	-	100,000	85,366



Organisation	Country	Amount €, 2012	Total €, 1997-2012	Total £, 1997-2011
Viladecans City Council	Spain	-	100,000	85,366
World Wildlife Fund for Nature	Italy	-	100,000	85,366
Groupe de Recherche en Agriculture Biologique	France	-	97,177	82,956
Global Ecovillage Network of Europe	Germany	-	95,417	81,454
Amigos de la Tierra	Spain	-	93,853	80,119
Istituto per la Ricerca sulle Tecniche Educative e Formative	Italy	-	92,908	79,312
Associazione Culturale Turismo Ambiente – ACTA	Italy	-	92,873	79,282
Pesticides Action Network Europe Foundation	Germany	-	90,622	77,360
Confederation Europeenne des Cooperatives de Production et de Travail Associe - CECOP	Belgium	-	89,649	76,530
Natureplus	Germany	-	85,000	72,561
Youth and Environment Europe	Czech Republic	-	81,360	69,454
Sveriges Television AB	Sweden	-	79,175	67,589
Maison de l'Europe d'Avignon et du Vaucluse	France	-	71,326	60,888
Solidarites Agricoles et Alimentaires	France	-	70,000	59,756
Union Europeene del'Ameublement	Belgium	-	70,000	59,756
City of Edinburgh Council	UK	-	69,903	59,673
BCE Butterfly Conservation Europe	Netherlands	-	69,223	59,093
Morgane Productions	France	-	68,404	58,394
Foundation for International Environmental Law and Development - FIELD	UK	-	64,263	54,859
Swedish Waste-Management Association	Sweden	-	63,340	54,071
Asociacion Independiente de Jovenes Empresario de Zaragoza	Spain	-	58,865	50,251
Sezione Italiana del Consiglio dei Comuni e delle Regione-Federazione Veneta	Italy	-	51,165	43,678
RED-Ruralite Environnement Developpement	Belgium	-	49,912	42,608
European Environmental Law Association	Germany	-	49,443	42,208
Asociacion Ecologista de Defensa de la Naturaleza	Spain	-	48,573	41,465
Birdlife International European Community Office	Belgium	-	48,568	41,461
Global Action Plan	Ireland	-	46,659	39,831
Vzw Grenzeloze Schelde/Escaut sans Frontieres asbl	Belgium	-	45,655	38,974
Escaut sans Frontieres	Belgium	-	42,118	35,954



Organisation	Country	Amount €, 2012	Total €, 1997-2012	Total £, 1997-2011
Europa Inform	Italy	-	40,932	34,942
Amigos do Mar - Associao civica internacional para a defesa do mar	Portugal	-	39,037	33,324
Solagro-Initiatives pour l'Energie, l'Environnement et l'Agriculture	France	-	36,102	30,819
Institut Royal des Sciences Naturelles de Belgique	Belgium	-	36,098	30,815
Faust Film GmbH	Germany	-	35,887	30,635
Re-Use Recycling E.U. Social Enterprises	Belgium	-	35,391	30,212
Provincia di Foggia	Italy	-	34,844	29,745
European Water Pollution Control	Germany	-	33,546	28,637
Environment and Development Resource Centre	Belgium	-	31,865	27,202
Duna Kornyezetvedelmi Forum DEF	Hungary	-	31,262	26,687
ICLEI - The International Council for Local Environmental Initiatives	Germany	-	25,382	21,668
Centre International de Droit Compare de l'Environnement	France	-	23,708	20,239
British Trust for Conservation Volunteers	UK	-	23,417	19,990
Institut Universitaire Europeen	Italy	-	22,000	18,781
Terra-Centro para la Politica Ambiental	Spain	-	20,975	17,906
Institute for European Environmental Policy	UK	-	20,971	17,902
Oekomedia - Institut fuer oekologische Medienarbeit	Germany	-	20,530	17,526
Globe EU -Global Legislators' Organisations for a Balanced Environment	Belgium	-	17,977	15,346
TERRA Milenium III/Climate Action Network Central and Eastern Europe		-	17,496	14,936
Federation Rhone-Alpes de Protection de la Nature	France	-	15,201	12,976
Fundacion de los Ferrocarriles Espanoles	Spain	-	14,904	12,723
Europaeische Vereinigung von Juristinnen und Juristen fuer Demokratie und Menschenrechte in der Welt - EJDM	Germany	-	12,193	10,409
Stichting "Fietsend naar het werk? Doen!"	Netherlands	-	7,752	6,618
<b>Total</b>		<b>8,999,631</b>	<b>100,803,000</b>	<b>86,051,489</b>