European Medicines Agency (EMA): location of the seat

2017/0328(COD) - 29/11/2017 - Legislative proposal

PURPOSE: to relocate the seat of the European Medicines Agency (EMA) following the notification by the United Kingdom to the European Council of its intention to leave the Union.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the **European Medicines Agency** has been established by Regulation (EEC) No 2309 /93, which has been replaced by <u>Regulation (EC) No 726/2004</u>.

In accordance with the Decision of 29 October 1993 taken by common agreement between the representatives of the governments of the Member States, meeting at Head of State and Government level, on the location of the seats of certain bodies and departments of the European Communities and of Europol, the European Medicines Agency has its seat in London, United Kingdom.

Following the **notification by the United Kingdom of its intention to leave the Union**, the 27 remaining Member States, in the margins of the General Affairs Council (Article 50), selected Amsterdam, the Netherlands, as the new seat for the European Medicines Agency.

CONTENT: the Commission proposes to amend Regulation (EC) No 726/2004 in order to **confirm the new seat of the European Medicines Agency** in Amsterdam, the Netherlands.

The Agency should occupy its new seat from the date on which the Treaties cease to apply to the United Kingdom or from 30 March 2019, whichever is the earlier.

It is proposed that the Regulation shall enter into force as a matter of urgency in order to give the Agency sufficient time to relocate.

BUDGETARY IMPLICATION: the relocation of the Agency will have budgetary implications, in particular in view of the costs related to the **early termination of its current rental contract** in London as a consequence of the withdrawal, the costs related to the move itself and the costs related to the installation in the new premises in Amsterdam.

As set out in the negotiation directives of the Council of 22 May 2017, the United Kingdom should fully cover the specific costs related to the withdrawal process, such as the relocation of the agencies based in the United Kingdom.

Some of the relocation costs (e.g. costs related to the move itself) may have to be pre-financed by the EU budget prior to the final financial settlement. If necessary, the Commission will submit the relevant proposals to the European Parliament and the Council in the framework of the annual budgetary procedure for 2019 and, if necessary, for 2018.

In addition, the costs related to the installation in the new premises will also be presented in the context of the building procedure set out in Article 203 of the Financial Regulation, which requires prior approval

from the European Parliament and the Council before contracts related to building projects are concluded. This procedure is expected to be launched as soon as possible (at the latest in early 2018).