4

Governance Shapers?

The Big Four, International Organizations and the EU

HANS-WOLFGANG MICKLITZ AND EVGENIA RALLI

DISCLAIMER

The plan of the chapter was built on the assumption that it is possible to reconstruct the possible impact of the Big Four consultancy firms on public governance through publicly accessible means through desk research – outside and beyond the rather well researched field of tax and accounting. This turned out to be wrong. There would have been two possible options, either to level the findings up to a more theoretical and abstract analysis based on the rather thin data or give a thorough account of the limited takeaway. We opted for the latter, which led us to the conclusion that our chapter could easily be read as an invitation to draft a research design that complements the picture and that allows for a much more sophisticated analysis.

4.1 THE BLACK BOX: BIG FOUR AND PUBLIC GOVERNANCE

The four leading consultancy firms, the Big Four,[1] are in the spotlight. Their crucial role in providing services in accounting, auditing and law, nationally and globally, to industry and governments is well documented.[2] However, their story

We would like to thank Simona Ciccarini for her excellent research assistance. All the websites and databases referred to under this paper were last visited on 15 August 2022.
The analysis in relation to the state of the law and the relevant literature is dated 15 August 2023.

[1] Deloitte, Ernst & Young, Pricewaterhouse Coopers (PwC) and KPMG.

[2] See, e.g., D. Wilkins and M. Esteban Ferrer, 'The Integration of Law into Global Business Solutions: The Rise, Transformation, and Potential Future of the Big Four Accountancy Networks in the Global Legal Services Market' (2018) 43 *Law and Social Inquiry* 981; W. Wen and A. Sonnerfeldt, 'The Interplay between Global Accounting Firms and National

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is not only one of transformation, innovation and dominance of professional services but also one connected to scandals,[3] tax haven networks[4] and organizing power to resist the public advocacy[5] through monitored public procurement contracts or through lobbying strategies and forming advisory groups. Apart from the audit services, the analysis focuses on the provision of different types of services to the public sector. Shifting the focus to the public sector is not only of paramount importance but it fills a research gap. This chapter explores the role of the Big Four in influencing law-making and more generally in public governance with regard to the EU and international organizations.

Mapping the evolution of the Big Four sets the scene. We build on the existing literature which is accomplished through an additional analysis of their global annual reports, their websites and a few other publicly available databases mapping their provision of services or influence exercised towards the EU and international organizations. Secondly, we examine the legal framework in which their activities are embedded, the rules on public procurement and transparency. We start from the premise that the publicly available documentation facilitates an assessment, thereby disclosing gaps for further research. The methodology as well as the sources of information are presented in Section 4.4.

4.2 ECONOMIC AND POLITICAL CONTEXTUALIZATION

How have the Big Four become Big and Four? Their rise does not go together with financialization of the economy. Their history is primarily a history of

Institutional Contexts: The Establishment of the Big Four in China from 1978 to 2007' (2022) 27 *Accounting History* 95.

3 Ch. Shore and S. Wright, 'How the Big 4 Got Big: Audit Culture and the Metamorphosis of International Accountancy Firms' (2018) 38 *Critique of Anthropology* 303, 310 ff.

4 C. Jones, Y. Temouri and A. Cobham, 'Tax Haven Networks and the Role of the Big 4 Accountancy Firms' (2018) 53 *Journal of World Business* 177.

5 M. Kalaitzake, 'Accounting for Success: The Big Four as Allies of Finance in Post Crisis Regulatory Reform' (2019) 21 *Business and Politics* 297; *Financial Times*, 'Big Four Paid Millions to Advise Brussels on Tax Policy', at www.ft.com/content/56f862ee-8392-11e8-96dd-fa565ec55929; Ch. Hurl and A. Vogelpohl (eds), *Professional Service Firms and Politics in a Global Era* (Palgrave MacMillan, 2021); L. Herman, 'Neither Takers nor Makers: The Big-4 Auditing Firms as Regulatory Intermediaries' (2020) 25 *Accounting History* 349; L. Fransen and G. LeBaron, 'Big Audit Firms as Regulatory Intermediaries in Transnational Labor Governance' (2019) 13 *Regulation and Governance* 260; Corporate Europe Observatory, 'Accounting for Influence: How the Big Four Are Embedded in EU Policy-Making on Tax Avoidance', at https://corporateeurope.org/en/power-lobbies/2018/06/tax-avoidance-industry-embedded-eu-tax-policy; B. Momani, 'Professional Management Consultants in Transnational Governance', in L. Seabrooke and L. Henriksen (eds.), *Professional Networks in Transnational Governance* (Cambridge University Press, 2017), 245; M. Boussebaa, 'Global Professional Service Firms, Transnational Organising and Core/Periphery Networks', in L. Seabrooke and L. Henriksen (eds.), *Professional Networks in Transnational Governance* (Cambridge University Press, 2017), 233.

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mergers, the Big Eight[6] reduced to the Big Four. Their historical evolution began in 1849, when William Welch founded Deloitte in London.[7] The story of Pricewaterhouse Coopers (PwC) also began in 1849, when Samuel Lowell Price set up a business in London and then in 1865 formed a partnership with Holyland and Waterhouse.[8] Ernst & Young followed in the same year as PwC, first via the establishment of Harding & Pullein joined by Frederick Whinney.[9] In 1891, the story of KPMG starts, when William Barclay Peat assumed leadership of the firm in London where he was working as an accountant and renamed it William Barclay Peat & Co.[10] Legal regulation heavily contributed to their establishment in England.[11] They expanded their services in line with the gradual internationalization of capital and they pioneered the use of information technologies.[12] The financialization, the prominence of multinational companies and the consolidation of the audit market accelerated merger and acquisitions and helped to turn the Big Four into today's global players.[13]

They form an oligopoly in the accounting and auditing market with a revenue of 167.33 billion USD (collectively) in 2021, which almost doubled in the last 10 years, as in 2010 they had a revenue of 95.085 billion USD (collectively).[14] However, their revenue alone does not justify why they are characterized as 'big'. During the same period, the number of their employees (including professional, administrative staff, etc.) has almost doubled

[6] Arthur Andersen, Arthur Young, Coopers & Lybrand, Deloitte Haskins and Sells, Ernst & Whinney, Peat Marwick Mitchell, Price Waterhouse and Touche Ross.

[7] J. Peterson, *Timeline: An Abbreviated History: The Origins of the Big Eight, and How They Shrank to Four* (Emerald, 2017), 305–307.

[8] www.pwc.com/us/en/about-us/pwc-corporate-history.html.

[9] Peterson, *Timeline*, 305–307.

[10] https://home.kpmg/xx/en/home/about/who-we-are/our-history.html.

[11] Peterson, *Timeline*, 305; See also J. J. Glynn, 'The Development of British Railway Accounting: 1800–1911' (1984) 11 *The Accounting Historians Journal* 103.

[12] Shore and Wright, 'How the Big 4 Got Big'.

[13] Ibid.; Herman, 'Neither Takers nor Makers'.

[14] The sources of this information mainly constitute the publicly available global annual reports/reviews and websites of the respective Big Four; For the year of 2010, see www.pwc.ec/es/publicaciones/assets/pdf/global-annual-review-2010.pdf, www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/gx-deloitte-2010-gir-cr-report.pdf, https://assets.kpmg/content/dam/kpmg/pdf/2011/03/KPMG-International-Annual-Review-2010.pdf and http://fs.monadnockresearch.com/pubfiles/Ernst_Young_Global_Review_2010.pdf; For the year of 2021, see www.pwc.com/gx/en/about-pwc/global-annual-review-2021/downloads/pwc-global-annual-review-2021.pdf, www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/about-deloitte-global-report-full-version-2021.pdf, https://home.kpmg/xx/en/home/media/press-releases/2021/12/kpmg-reports-global-revenues-of-usd-32-billion-for-fy21.html and www.ey.com/en_gl/global-review/value-realized-2021.

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(collectively and individually). It has risen from 610,104 in 2010 to 1,189,252 employees in 2021 worldwide (collectively).[15] They operate in more than 140 countries.[16] Most of their revenue originates from auditing/assurance services and consultancy services, but a significant portion originates from tax and legal services.[17] Their entry into the legal services market started in the 1990s. It was triggered by a growing demand for tax services, the declining profitability of accounting services and the fact that the most profitable new areas of services provisions intersected with law, such as corporate restructuring, insolvency, litigation support and forensic accounting services.[18] The websites of the Big Four provide information on the type of legal services at a global level, allowing identification of the relevant legal fields and topics: banking and finance, taxation, corporate, commercial, mergers and acquisitions, competition, employment, migration, legal operation, management, technology, cybersecurity, data protection, entity compliance, governance, sustainability and real estate.[19] The accounting scandals arising out of the 2001 financial crisis or, more recently, the Wirecard scandal,[20] triggered regulatory action in the US and the EU[21] to draw a dividing line between auditing and other – legal – services.[22]

However, despite those reforms, the main concerns about their market power, their continuing growth and the ever-deeper intrusion into the law market remain valid and justify taking a deeper look into the kind of legal services they provide and into the potential influence they exercise on the EU and international institutions.

[15] Ibid.; http://fs.monadnockresearch.com/pubfiles/Ernst_Young_Global_Review_2010.pdf.
[16] Ibid.
[17] PWC, 'Global Annual Review 2021', at www.pwc.com/gx/en/about/global-annual-review-2021/financials.html; Deloitte, '2021 Global Impact Report: Business', at www2.deloitte.com/global/en/pages/about-deloitte/articles/global-impact-report/global-report-business.html; KPMG, 'FY21 highlights', at https://home.kpmg/xx/en/home/insights/2021/12/corporate-reporting-2021-kpmg-at-a-glance.html; Ernst & Young, 'EY Value Realized: Reporting Progress on Global Impact 2021', at www.ey.com/en_gl/global-review/value-realized-2021.
[18] Wilkins and Esteban Ferrer, 'Integration of Law'.
[19] www.pwc.com/gx/en/services/legal.html; www2.deloitte.com/global/en/services/legal.html?icid=top_legal; www.ey.com/en_gl/law; and https://home.kpmg/xx/en/home/services/tax/global-legal-services-kpmg-law.html.
[20] Deutsche Welle, 'The Big Four: Accounting Firms under Scrutiny', at www.dw.com/en/the-big-four-accounting-firms-under-scrutiny/av-62593672.
[21] Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014 amending Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts [2014] OJ L158/196; Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC [2014] OJ L158/77.
[22] Wilkins and Esteban Ferrer, 'Integration of Law'.

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4.3 BIG FOUR AND PUBLIC GOVERNANCE

The move towards public governance originates from the World Bank's project of social overhead capital starting in the 1950s.[23] The concept pioneered by economists such as Paul Rosenstein-Rodan promoted the financing of the infrastructure in what were then called 'development countries' through internationally funded but nationally planned programmes. However, the emerging tendency to state ownership of key national 'infrastructure' and the severe criticism with respect to efficiency led the World Bank to open up state-run public services to private sector management through Public–Private Partnerships. The Big Four seized the opportunity.

The Big Four exercise their influence upon public governance through multiple channels: formal ones, such as public procurement contracts, interventions in public consultations on envisaged regulatory means or public sector advisory groups, as well as informal ones, such as lobbying, 'revolving doors' (an established proximity of their personnel to the regulators including the swapping of personnel between Big Four and the institutions they advise) or through influence exercised via other interest groups.[24] The lobbying activities revolve around accounting and tax avoidance. In 2011, the Big Four collectively invested 10 million dollars to influence the US Public Company Accounting Oversight Board.[25] Through different means, including financial contributions, they have aimed at influencing the US Securities and Exchange Commission regarding international financial reporting standards.[26] In the EU they targeted the Financial Transaction Tax[27] and the policy responses to tax avoidance[28] and in the UK the Modern Slavery Act through inter alia financial contributions.[29] At a global scale, through engagement with the World Trade Organization (WTO), they lobbied against international standards promoting deregulation at the national level for the accountancy profession.[30] Their policy of 'revolving doors' in the US

[23] N. Hildyard, '"Infrastructure" and the Big 4: Public–Private Partnerships, Corridors, and the Expansion of Capital', in Ch. Hurl and A. Vogelpohl (eds.), *Professional Service Firms and Politics in a Global Era* (New York: Palgrave MacMillan, 2021), 197.

[24] See, e.g., Corporate Europe Observatory, 'Accounting for Influence'; Kalaitzake, 'Accounting for Success'.

[25] Shore and Wright, 'How the Big 4 Got Big', 313.

[26] Herman, 'Neither Takers nor Makers'.

[27] Kalaitzake, 'Accounting for Success'.

[28] Corporate Europe Observatory, 'Accounting for Influence'.

[29] Fransen and LeBaron, 'Regulatory Intermediaries'.

[30] See P. Arnold, 'Disciplining Domestic Regulation: The World Trade Organization and the Market for Professional Services' (2005) 30 *Accounting, Organizations and Society* 299.

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Federal Reserve, the UK[31], and the EU[32] or the growing impact on public procurement contracts, on the official provision of services[33] through interventions to public consultations[34] and to established public sector advisory groups are all documented.[35] In essence, the Big Four can be understood as a regulatory intermediary.[36]

4.4 METHODOLOGY: HOW TO OPEN THE BLACK BOX

There is no official database on the nexus between the Big Four, public governance and law-making. Firstly, we examine the legal framework on transparency and public governance. The examination pinpoints the sources and databases where necessary information can be found as well as possible gaps. The focus lies on so-called direct procurement, which involves private suppliers of goods, services or works. Indirect procurement procedures by means of a letter of assist, National Execution (NEX), procedures typical of financial institutions or involving other international organizations and procedures involving private parties as the executors of a function or a task of the organization are not addressed, due to their complex regulatory architecture involving national rules and international agreements.[37] Secondly, we examine the websites of the Big Four concerning their provision of services to EU and international organizations.[38] This exercise has been quite fruitful as the Big Four have used their specific nexus with the EU as a self-marketing exercise for governance-shaping and consultancy. All of them devote specific websites to explaining their co-operation with the EU and its institutions, occasionally also with specific national governments and the United Nations (Deloitte[39]) or the World Economic Forum (Deloitte, PwC, KPMG, Ernst &

[31] Shore and Wright, 'How the Big 4 Got Big'.
[32] Corporate Europe Observatory, 'Accounting for Influence'.
[33] Ibid.; Fransen and LeBaron, 'Regulatory Intermediaries'.
[34] Kalaitzake, 'Accounting for Success'.
[35] Corporate Europe Observatory, 'Accounting for Influence'; Arnold, 'Disciplining Domestic Regulation'.
[36] Ibid.; Herman, 'Neither Takers nor Makers'.
[37] See the detailed analysis in E. Morlino, *Procurement by International Organizations: A Global Administrative Law Perspective* (Cambridge University Press, 2019).
[38] https://home.kpmg/xx/en/home/industries/government-public-sector/eu-services.html; www.ey.com/en_gl/eu-institutions; www2.deloitte.com/be/en/pages/public-sector/topics/eu-institutions-services.html; and www.pwc.com/gx/en/services/european-union.html.
[39] www2.deloitte.com/ch/en/pages/public-sector/solutions/united-nations-and-non-governmental-organisations.html.

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Young).[40] A word of caution is needed. These data are the ones the Big Four have made public voluntarily to promote their activities. They do not disclose their revenue per mandate or the frequency of their provision of services per year. Their global annual reports (when available online[41]) from 2010 until 2021 served as a second source of information. Here we can identify specific sectors and cases where the Big Four provided services to the EU and to international organizations.

The data made available by the Big Four are complemented by other databases provided either by the public sector or by research platforms, such as in the EU Transparency Register,[42] opentender.eu[43] and the Financial Transparency System.[44] The EU Transparency Registry lists organizations attempting to influence the law-making and policy implementation process of the EU institutions.[45] It was founded in 2011 by the European Parliament and the European Commission.[46] Specifically,

> [t]he Transparency Registry is a public database holding up-to-date information about interest representatives actively engaged in activities aimed at influencing the formulation or implementation of policies or legislation at EU level. It gives individuals, the media, stakeholders and EU staff the possibility to track interests represented through the EU institutions, find out who is representing those interests on whose behalf, as well as to see what resources are devoted to the related lobbying activities and efforts. It is one of several transparency tools that aims to improve the transparency and openness of the EU decision making process.[47]

With the aim to establish a coordinated approach and broaden the database, in 2021 a new interinstitutional agreement between the European Parliament, the European Commission and the Council of the European

[40] www2.deloitte.com/global/en/pages/about-deloitte/articles/worldeconomicforum.html; www.pwc.com/gx/en/about/contribution-to-debate/world-economic-forum.html; https://home.kpmg/xx/en/home/about/the-world-economic-forum-and-kpmg.html; and www.ey.com/en_gl/wef.

[41] Any gaps are complemented through the annual reports of their corporate headquarters or their websites or other sources such as media news.

[42] https://ec.europa.eu/transparencyregister/public/consultation/search.do?locale=en&reset=.

[43] https://opentender.eu/eu/about/about-opentender.

[44] https://ec.europa.eu/budget/financial-transparency-system/about.html.

[45] https://ec.europa.eu/transparencyregister/public/consultation/search.do?locale=en&reset=.

[46] Agreement between the European Parliament and the European Commission on the establishment of a transparency register for organizations and self-employed individuals engaged in EU policy-making and policy implementation [2011], OJ L191/29.

[47] Annual Report on the functioning of the Transparency Register 2021 (presented by the Transparency Register Management Board to the European Parliament, the Council of the European Union and the European Commission), 2.

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Union was signed.[48] One of the new features is that it makes this registry mandatory. According to article 1, the three signatories can decide that 'covered activities'[49] – including many activities of the Big Four – are conditional upon registration in the register. Therefore, the register is still not complete. The column 'Specific activities covered by the Register' includes a list of contributions to 'public consultations 'and 'roadmaps'. This allows us to specifically look for policy areas and regulatory initiatives where the Big Four have intervened, since 24 July 2018. However, this database provides only information concerning the exercise of broad influence by the Big Four upon three EU institutions in theory; the available data primarily concern the European Commission and to a very limited extent the European Parliament.

The opentender.eu platform is a public and open procurement platform run by DIGIWHIST, an EU Horizon 2020 funded project bringing together six European research institutes aiming at the empowerment of the society to combat public sector corruption: the Department of Sociology of the University of Cambridge, Open Knowledge Foundation Germany, Government Transparency Institute, Hertie School of Governance, Datlab and Transcrime (the Joint Research Centre on Transnational Crime of the Università Cattolica del Sacro Cuore of Milan and University of Trento). The data provided

> are procurement data from about 20 various sources. When there is no open data available we [opentender.eu] extract the information from thousands of web pages to arrive at a structured database. After that we [opentender.eu] group together all publications describing each tender and eventually create a final image that most accurately describes the particular tender. Source systems and data differ from country to country, so a tailored piece of software is created for each source separately.[50]

The platform grants access to data concerning contracts awarded by EU institutions to the Big Four between 2009–2021. The data may signal trends and complement qualitative data, namely concerning the types of services provided. They indicate the volume in millions of tenders per year and can only be used to compare the involvement of the Big Four and to identify trends. The data in in the Financial Transparency System and in the

[48] Interinstitutional Agreement of 20 May 2021 between the European Parliament, the Council of the European Union and the European Commission on a mandatory transparency register [2021], OJ L207/1.

[49] Ibid., articles 3 and 4.

[50] https://opentender.eu/eu/about/how-opentender-works.

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opentender.eu platform pursue different objectives. The volume represents the total volume in which each of the Big Four have participated. Therefore, they do not represent the total and individual gain or profit of each of the Big Four alone. The EU Transparency Registry covers, in principle, all EU institutions, including agencies.

The Financial Transparency System is managed by the European Commission, more specifically by the Directorate-General for Budget, and provides information on

> ... the beneficiaries funding from the EU budget implemented directly by the European Commission ... and other EU bodies such as executive agencies ('direct management') or implemented indirectly by other international organisations or non-EU countries ('indirect management'), and beneficiaries of the European Development Fund.[51]

The funding types are Grants, Prizes, Public procurement (including provisional commitments and other expenditure), Financial Instruments, Budget Support and External Experts.[52] The scope has been extended over time. Crudely speaking the data cover funding awarded from 2007 (sometimes from 2012/2013) until 2021.[53] According to article 38 Financial Regulation,[54]

> the Commission shall make available, in an appropriate and timely manner, information on recipients of funds financed from the budget, where the budget is implemented by it in accordance with point (a) of the first subparagraph of Article 62(1) ...

According to article 38(2)(2) Financial Regulation, the information concerns the name of the recipient, the amount legally committed and the nature and purpose of the measure in the cases of prizes, grants and contracts which have been awarded as a result of contests, grant award procedures or procurement procedures, and for experts selected pursuant to article 237(2) Financial Regulation. Due to the availability and structure of the search engine we have directed our focus on the amount which is legally committed to the Big Four. This database complements the one on opentender.eu.

In comparison to the multiple European databases, access to information on the consulting activities of the Big Four with international organizations is

[51] https://ec.europa.eu/budget/financial-transparency-system/.
[52] https://ec.europa.eu/budget/financial-transparency-system/about.html.
[53] https://ec.europa.eu/budget/financial-transparency-system/faq.html.
[54] Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union [2018] OJ L193/1.

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scarce. Existing databases have a very narrow focus, for example, procurement in national jurisdictions.[55] As the Big Four do not report about the services they provide to international organizations overall through their websites, our research had to investigate the Big Four's annual reports. Those sources sufficed to identify the United Nations, World Economic Forum, the G20 and the Organization for Economic Cooperation and Development (OECD), which seem to receive services from the Big Four to a greater extent in comparison to other organizations. Theoretically each and every international organization deserves attention. However, we will put the United Nations system in the limelight, which provides publicly available data on procurement or more generally contracts awarded to the Big Four.[56]

Specifically, the Annual Statistical Report on United Nations Procurement (ASR) provides data reported by the participating UN organizations on 'acquisition through purchase or lease of real property, goods or other products (including intellectual property), works or services, as defined by the UN procurement practitioner's handbook'[57] with a total value of 30,000 USD or more from 2000 onwards through the annual statistical reports from 2010 to 2014[58] and from 2015 on the dashboard.[59] The focus rests on the total volume and number of contracts signed between the Big Four and the participating UN organizations. In a few cases the name of the supplier is not reported for security reasons or confidentiality requirements.

4.5 EU LEGAL FRAMEWORK ON TRANSPARENCY OF PUBLIC GOVERNANCE

Comparing the EU to other international or intergovernmental organizations, we would expect that the EU provides better and more stringent rules on transparency, understood as the obligation and the willingness to inform the public at large on the degree to which the EU is using the Big Four in support

[55] See, e.g., www.worldbank.org/en/topic/governance/brief/global-public-procurement-database.
[56] See www.ungm.org/Shared/KnowledgeCenter/Pages/asr_data_supplier.
[57] www.ungm.org/Shared/KnowledgeCenter/Pages/asr_about.
[58] www.ungm.org/Areas/Public/Downloads/ASR/2010/Document/ASR_2010.pdf; www.ungm.org/Areas/Public/Downloads/ASR/2011/Document/ASR_2011.pdf; www.ungm.org/Areas/Public/Downloads/ASR/2012/Document/2012_Annual_Statistical_Report_procurement.pdf; www.ungm.org/Areas/Public/Downloads/ASR/2013/Document/ASR_2013.pdf; www.ungm.org/Areas/Public/Downloads/ASR/2014/Document/ASR_2014.pdf.
[59] www.ungm.org/Shared/KnowledgeCenter/Pages/asr_data_supplier.

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of its constitutional mandate. The presentation of the regulatory framework will be linked to a critical account of its application and enforcement in practice[60] with regard to the Big Four.

4.5.1 *EU as a Forerunner*

Transparency and openness of the decision-making processes towards the citizens in the EU has been a long journey. Over time, transparency evolved from a general principle of public access to a few EU institutions' documents[61] into a right of the individual.[62] The Lisbon Treaty[63] transformed access to documents into a fundamental right under article 42 of the Charter of Fundamental Rights, thereby expanding the addressed EU institutions.[64] Secondary EU law concretizes the requirement through the 2014 Public Procurement Package, but not with regard to EU institutions. Their procurement is regulated by the Financial Regulation.[65] The FOIA Regulation[66] grants 'widest possible access'[67] to documents of the European Parliament, the Council, the Commission and EU agencies.[68] The European Ombudsman is pushing the EU institutions into action. Thanks to its initia-

[60] Such as the project carried out at the Erik Castrén Institute at the University of Helsinki: 'Transparency in the EU – From Reaction to Manifesto? (TRUE)'.

[61] Declaration on the right of access to information (Maastricht Treaty, Annex 17).

[62] Article 255 TEC (Treaty of Amsterdam). See further, B. Neamtu and D. Dragos, 'Freedom of Information in the European Union: Legal Challenges and Practices of EU Institutions', in D. Dragos, P. Kovac and A. Marseille (eds.), *The Laws of Transparency in Action: A European Perspective* (Palgrave MacMillan, 2019), 11.

[63] European Commission, Explaining the Treaty of Lisbon (2009) MEMO/09/531; M. Hillebrandt, 'The Big Lesson after Ten Years of EU Transparency Reforms? You Will Never Get It Right' (*Open Government in the EU*, 14 January 2020), at www.eu-opengovernment.eu/?p=1064.

[64] Neamtu and Dragos, 'Freedom of Information'; see also especially articles 1, 11(2) and (3) and 15(3) TEU.

[65] See note 54.

[66] Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents [2001] OJ L145/43; Concerning the regulatory overlap and relationship between EU procurement law and law regarding the access to documents, see A Sanchez-Graells, 'Transparency in Procurement by the EU Institutions', in K.-M. Halonen, R. Caranta and A. Sanchez-Graells (eds.), *Transparency in EU Procurements* (Edward Elgar Publishing, 2019), 82.

[67] P. Leino, 'Transparency, Participation and EU Institutional Practice: An Inquiry into the Limits of the "Widest Possible" EUI Working Paper Law 2014/3'.

[68] K. Lenaerts, '"In the Union We Trust": Trust Enhancing Principles of Community Law' (2004) 41 *Common Market Law Review* 317, 321.

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tive,[69] the European Court of Auditors, the ECB and European agencies adopted particular rules governing access to their documents.[70] EU citizens may launch complaints with the Ombudsman or seek judicial review before the Court of Justice of the EU in case access to the documents is denied.[71]

This regulatory evolution towards further transparency with a focus on tackling corruption is going to be further accelerated taking into consideration the recent so-called Qatargate scandal. At this stage, this is indicated by the European Parliament's Resolution,[72] which calls for the adoption of several measures enhancing transparency at EU level and particularly at the European Parliament's level, for example, the establishment of an EU ethics body, the introduction of a cooling-off period for former Members of the European Parliament to avoid the negative effects of the phenomenon of revolving doors, the strengthening of the EU transparency register with the aim to become mandatory or the revision of the Staff Regulations.[73]

4.5.2 *Stock-Taking: EU Commission, Court of Auditors, COE and EurActiv*

Maarten Hillebrandt stated that 'the European institutions sullenly seem to have reached the conclusion that they apparently can never do anything right. The mantra seems "damned if you do, damned if you don't"'.[74] In fact, the practice of the EU institutions is subject to strong criticism.[75]

The Corporate Europe Observatory in 2018[76] and EurActiv in 2021[77] attacked the over-reliance of the EU institutions upon the Big Four. They

[69] 616/PUBAC/F/IJH, OJ C44/9, 1998.

[70] P. Craig, *EU Administrative Law*, 3rd ed. (Oxford University Press, 2018); See also D. Curtin and P. Leino, 'In Search of Transparency for EU Law-Making: Trilogues on the Cusp of Dawn' (2017) 54 *Common Market Law Review* 1673.

[71] Curtin and Leino, 'In Search of Transparency for EU Law-Making'.

[72] European Parliament Resolution of 15 December 2022 on suspicions of corruption from Qatar and the broader need for transparency and accountability in the European institutions (2022/3012(RSP)).

[73] Ibid.; see also EURACTIV with Reuters, 'EU Parliament Head Sets out Transparency Plan in Response to "Qatargate" Scandal' (*EURACTIV*, 12 January 2023), at www.euractiv.com/section/justice-home-affairs/news/eu-parliament-head-sets-out-transparency-plan-in-response-to-qatargate-scandal/.

[74] Hillebrandt, 'The Big Lesson'.

[75] See, e.g., Erik Castrén Institute, 'Transparency in the EU – From Reaction to Manifesto? (TRUE)' Research Project, at www2.helsinki.fi/en/erik-castren-institute/transparency-in-the-eu-from-reaction-to-manifesto-true and all research output listed.

[76] Corporate Europe Observatory (n. 5).

[77] J. Valero, 'EXCLUSIVE: Commission's Ballooning Bill with Consultancy Firms Revealed' (*EURACTIV*, 18 March 2021), at www.euractiv.com/section/economy-jobs/news/exclusive-commissions-ballooning-bill-with-consultancy-firms-revealed/.

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criticized their increasing influence on law-making, in fields which either address the Big Four directly (e.g., international accounting standards) or their clients (e.g., tax, competition, financial law). EurActiv revealed that the 'European Commission spent more than €462 million between 2016 and 2019 in contracts with PWC, KPMG, Deloitte and Ernst & Young, known collectively as the Big Four'.[78] It is no coincidence that the information was disclosed at a time when the European Court of Auditors was about to investigate the activities of the European Commission.[79] The report triggered significant reactions from multiple EU institutions and bodies, the European Parliament, the European Court of Auditors and the European Commission. The European Court of Auditors[80] informed Euractiv that it examines hundreds of millions worth of contracts the European Commission had concluded with external consultants.[81] The European Parliament told Euractiv that it will investigate the Commissions' bill to consultancy firms[82] and a number of MEPs wrote a letter to the Commission precisely on this matter.[83] The European Commission was initially quite defensive. The Big Four were said to be more cost-efficient in terms of human resources, with transparent public procurement, and the Commission remains responsible for using or rejecting the information. At the same time the European Commission declared that it would follow the European Ombudsman's recommendation and propose amendments to the Financial Regulation, such as the obligation for those who reply to the public tender to disclose conflicting interests.[84] This

[78] Ibid.

[79] European Court of Auditors, 'Timeline – Special Report 17/2022: External Consultants at the European Commission', at www.eca.europa.eu/Lists/ECATimeline/Timeline-SR-22-17/Timeline-SR-22-17_EN.pdf.

[80] According to article 285 TFEU, the Court of Auditors shall carry out the Union's audit. Specifically, it shall examine the accounts of all revenues and expenditure of the Unions and its respective bodies, etc.

[81] J. Valero, 'EU Court of Auditors Looking into Commission's Contracts with Consultants' (*EURACTIV*, 19 March 2021), at www.euractiv.com/section/economy-jobs/news/eu-court-of-auditors-looking-into-commissions-contracts-with-consultants/.

[82] J. Valero, 'Parliament to Look into Commission's Multi-million Bill with Consultancy Firms' (*EURACTIV*, 14 April 2021), at www.euractiv.com/section/economy-jobs/news/parliament-to-look-into-commissions-multi-million-bill-with-consultancy-firms/; Parliamentary Question 'Special Relationship between the EU and Consultancy Firms' E-005496/2021 (9.12.2021), at www.europarl.europa.eu/doceo/document/E-9-2021-005496_EN.html.

[83] J. Valero, 'MEPs Grill Commission about Growing Expenditure in Consultancy Firms' (*EURACTIV*, 30 March 2021), at www.euractiv.com/section/politics/news/meps-grill-commission-about-growing-expenditure-in-consultancy-firms/.

[84] https://portal.ieu-monitoring.com/editorial/eu-commissions-use-of-private-consultancy-firms-answer-to-a-written-question.

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was in fact realized through proposed targeted adjustments to the Financial Regulation announced in May 2022.[85]

Roughly 1 year later the European Court of Auditors published its special report 17/2022 on 30 June 2022 according to article 287(4)(2) TFEU.[86] Remarkably, the Court of Auditors acknowledged that its assessment on the use of external consultants by the European Commission is incomplete as it did not have full knowledge of the facts. The Report is nevertheless telling: there is an increasing use of external consultants to perform various advisory and support services, mainly in implementing the EU's neighbourhood and enlargement policies, international partnerships, foreign policy instruments, environmental and climate actions.[87] The European Court of Auditors identified gaps in the regulatory framework with regard to potential risks related to the concentration of service providers, overdependence and conflicts of interest which are not sufficiently monitored and expressed doubts in the added value of the consultants' input. Those observations ended in a call for improving the management of external consultants and increasing transparency by reporting more regularly and accurately. In reaction, the European Commission confirmed that it will implement the recommendations by the end of 2023.[88] The latest developments document convincingly the burdensome and painful process on the role and function of the Big Four in the daily work of the European Commission. Despite the efforts to avoid a 'Qatargate' 2 scandal, tackle corruption and enhance transparency,[89] it will be a long way down the road before the administrative reality might be aligned with the ambitious wordings of the Treaties.

[85] European Commission, 'Proposal for a Regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (recast)', COM (2022) 223 final.

[86] European Court of Auditors, 'Special Report: External Consultants at the European Commission: Scope for Reform' (30 June 2022), at www.eca.europa.eu/en/Pages/DocItem.aspx?did=61461.

[87] The European Court of Auditors acknowledged that its report covers only the services of external consultants financed by the EU budget and contracted by the European Commission between 2017 and 2019, and recorded by the Commission as consultancy, study, evaluation or research. However, IT consultancy services are not covered and included in the report's results.

[88] European Commission, 'Replies of the European Commission to the European Court of Auditors' Special Report', at www.eca.europa.eu/Lists/ECAReplies/COM-Replies-SR-22-17/COM-Replies-SR-22-17_EN.pdf.

[89] See Corporate Europe Observatory, 'Qatargate: Lobby Watchdog Says the European Parliament Needs to Close All Loopholes', at https://corporateeurope.org/en/2023/01/qatargate-lobby-watchdog-says-european-parliament-needs-close-all-loopholes, criticizing the recent proposals of the President of the European Parliament.

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4.6 GOING BEYOND: BIG FOUR SHAPING PUBLIC GOVERNANCE AND LAW-MAKING?

The websites of the Big Four provide for a first idea of the types of services they offer: policy analysis and advice, auditing, financial resources and risk management, technology consulting and implementation, human resources and even financial management related to the EU budget.[90] They provide the same type of services with regard to sustainability, digitalization, auditing and education, but there are also differences.[91] Ernst & Young and Deloitte are not involved in financial management relating to the EU budget and the internal public sector's accounting standards. Public procurement, border control and security are in the hands of PwC and Deloitte, services related to space, financial services (independent professional services) and economic growth are provided by PwC only and services related to health are given by Deloitte only, whereas services related to corruption, fraud detection and criminal justice are managed by Deloitte and KPMG. The Big Four's reports from 2010 to 2021 confirm *grosso modo* the findings.[92] Specifically, the provision of services such as policy advice and analysis, technology consulting and implementation could be verified. The same is true with regard to services in relation to borders and security by PwC, in relation to auditing/financial reporting by PwC, Deloitte and KPMG, sustainability by PwC, Deloitte and Ernst & Young and financial services by PwC. However, the annual reports do not provide for a full picture about the relevant topics and areas and the types of services provided, let alone the respective topics and areas. If any, specific examples are highlighted, obviously more in a self-marketing perspective than with the intention to inform the public any deeper of what they are doing, why and with what intention towards whom and with what objective.

4.7 THE EU TRANSPARENCY REGISTRY

It seems that the added value of the EU Transparency Register is quite limited and does not go much beyond what the websites and the reports are telling, in particular when the differing categories are linked together (e.g., climate can be associated with sustainability, gender equality with education focusing

[90] See https://home.kpmg/xx/en/home/industries/government-public-sector/eu-services.html; www.ey.com/en_gl/eu-institutions; www2.deloitte.com/be/en/pages/public-sector/topics/eu-institutions-services.html; www.pwc.com/gx/en/services/european-union.html.

[91] Ibid.

[92] See the Annex for references.

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mainly on human resources and finally trade with economic growth).[93] However, the data do not match when it comes to the question of which of the Big Four is engaged in what kind of services. This is hardly surprising as the Transparency Registry does not include data concerning all EU institutions but primarily only the European Commission. The websites and the annual reports of the Big Four disclose the information they are willing to give away. The information is not limited to the EU and to what they have done but includes services they could offer in the future. Under the registry the Big Four are obliged to provide at least some of the information on specific lobbying activities towards the three signatories (namely the European Commission, the Council and the European Parliament in principle).

4.8 THE OPENTENDER.EU PLATFORM

Deloitte[94] was involved in 177 tenders in total from 2009 to 2021, with a volume of 2,212.9 million. Those tenders concern multiple sectors of business: law, marketing, consulting, recruitment, printing and security (88), IT services (32), research, development and related consultancy services (29). PwC[95] was involved in 112 tenders in total from 2010 to 2021, with a volume of 906.7 million. Similarly to Deloitte, PwC has been involved in law, marketing, consulting, recruitment, printing, security (52), research,

[93] PWC (name: PwCIL, registration number 60402754518-05) provides services in areas/topics such as auditing, taxation (e.g. Fighting the use of shell entities and arrangements for tax purposes), corporate governance/financial sustainability/finance (e.g. Strengthening the quality of corporate reporting and its enforcement), climate (Carbon Border Adjustment Mechanism) and digitalization/technology/data/AI (e.g. Digital Education Action Plan). Ernst & Young (name: Ernst & Young Core Business Services BV, registration number 044581093373-91) provides services in areas/topics such as auditing, taxation (New EU system for the avoidance of double taxation in the field of withholding taxes), corporate governance/financial sustainability/finance (e.g. Strengthening the quality of corporate reporting and its enforcement) and digitalization/technology/data/AI (e.g. Requirements for Artificial Intelligence). Deloitte (seven different registrations under seven different names, e.g. Name: Deloitte & Associés, registration number: 419726214834-51) provides services in areas/topics such as auditing, taxation (e.g. Digital Levy), corporate governance/financial sustainability/finance (e.g. Revision of Non-Financial Reporting Directive) and digitalization/technology/data/AI (e.g. Cyber Resilience Act). KPMG (name: KPMG, registration number 65515368730-59) provides services in areas/topics such as auditing, taxation (e.g. Fighting the use of shell entities and arrangements for tax purposes), corporate governance/financial sustainability/finance (e.g. Action Plan on anti-money laundering) and climate (e.g. Updating the EU Emissions Trading System).

[94] Based on the search engine of opentender.eu, Deloitte is 'registered' under 103 different companies.

[95] Based on the search engine of opentender.eu, PwC is 'registered' under 58 different companies.

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development and related consultancy services (24) and IT services (18). Clearly, KPMG[96] participated in much fewer tenders between 2009 and 2021, namely 62 in total, most of them were related to law, marketing, consulting, recruitment, printing, and security (37). The total volume of those tenders comes up to approximately 714.6 million. KPMG seems to go for larger tenders, as the major difference in numbers does not affect the volume. Finally, Ernst & Young[97] has been involved in twice the number of tenders in comparison to KPMG from 2009 to 2021, namely 120/121 tenders but of which the total volume is 758.6 million, which is quite close to KPMG's. Following a similar pattern with the rest of the Big Four, most of the tenders relate to law, marketing, consulting, recruitment, printing and security (63), research, development and related consultancy services (29). These are the predominant ones amongst the Big Four, IT services ranking second particularly in the cases of PwC and Deloitte. Those findings seem to confirm the qualitative data from the websites and the annual reports.

4.9 THE FINANCIAL TRANSPARENCY SYSTEM

The Financial Transparency System[98] by and large confirms EURACTIV's estimations. The latter observes the amount of 462 million in comparison to 435 million based on the Financial Transparency System between 2016 and 2019. This amount almost doubled between 2014 and 2021 as the Big Four collectively were contracted by the European Commission for 817.49 million. Moreover, we do observe that clearly PwC has had by far the smallest commitments contracted and consumed in terms of volume and Deloitte has had the biggest but without a huge difference in terms of volume with Ernst & Young and KPMG.

4.10 INTERIM CONCLUSION

The analysis so far tells us much more about the impact of the Big Four on the European institutions than their possible impact on shaping public

[96] Based on the search engine of opentender.eu, KPMG is 'registered' under 39 different companies.

[97] Based on the search engine of opentender.eu, Ernst & Young is 'registered' under 85 different companies.

[98] https://ec.europa.eu/budget/financial-transparency-system/about.html; Based on the database of the Financial Transparency System, PwC is 'registered' under six different companies/partnerships et cetera; Ernst & Young is 'registered' under 45 different companies/partnerships et cetera; Deloitte is 'registered' under 30 different companies/partnerships et cetera; and KPMG is 'registered' under 32 different companies/partnerships et cetera.

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governance. Somewhat overstated, we know the total amount spent and the fields of activities in which the Big Four are contracted. The total amount sounds rather small in comparison to the overall budget of the European Commission or the European Parliament, but it might be large if compared to the total amount of money the European institutions spent on external advice in forms of studies and research projects equally tendered and undertaken by Brussels consultancy companies and academic institutions. Conversely, the total amount does not tell us anything about the impact of the consultancy, the degree to which the Big Four succeeded in pre-shaping and pre-determining EU legal policies in the respective business sectors. A clear picture would require much more detail on the rather broad categories, the reasons that triggered the mandating and the interaction between the European institutions and the Big Four during the consultation. It would require looking into all the tenders, the reports which have been prepared to meet the tender, and the concrete legislative action which stands behind the tender. It is not difficult to add even more questions.

These findings clash dramatically with the bombastic language in the Treaties and casts a shadow on the democratic understanding of the European institutions. Without pressure from the outside, mainly and most importantly through the media, through a kind of investigative journalism together with the European Court of Auditors and other national authorities taking into account the recent 'Qatargate' scandal, the European institutions do not seem to be ready to move and make a serious effort to inform the public at large about the degree to which they rely on and follow the advice provided by the Big Four in the core of what holds the EU together – the internal market. The legal framework as it stands shields the European institutions against critique from the outside world. The analysis of the role of the Big Four underpins such an assessment.

4.11 INTERNATIONAL ORGANIZATIONS

According to the annual reports of the Big Four,[99] the showcased international organizations are the UN, the World Economic Forum, the G20 and the OECD. The topics and areas to which the Big Four have contributed, engaged and worked with those organizations focus on sustainable economic growth and development, corruption, gender equality, ethical business conduct, the future role of civil society, of work and future of regulation broadly, tax transparency, Environmental, Social and Governance (ESG) metrics and

[99] See the Annex.

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non-financial reporting standards. There are other well-known institutions to which the Big Four are providing services such as the World Bank, Financial Stability Board, International Monetary Fund, Asia-Pacific Economic Cooperation Forum and the World Trade Organization, as well as specialized private sector associations such as the World Business Council on Sustainable Development, the International Federation of Accountants, the International Organization of Securities Commissions, the International Forum for Independent Audit Regulators, the International Integrated Reporting Committee and International Organization of Employers.

Comparing the data with those of the EU, they are not specifying, enlarging or clarifying the field of activities. The services and the fields are by and large the same and breathe the same spirit – rough data on all sorts of policy fields coloured through examples, the value of which is hard to assess without analysing the context and without knowing the reasons for their choice.

4.12 THE CASE OF THE UNITED NATIONS SYSTEM

International law is not built on transparency but on secrecy, opacity and confidentiality. Only recently has transparency begun to play an important role in global governance.[100] However, there is still not one international legal framework on transparency. Instead, each international organization has developed its own internal rules on transparency policies and on procurement through references in funding treaties, in specific procurement rules included in financial regulations and administrative circulars or manuals, mainly addressed to the staff of the organizations.[101] Despite the patchy legal framework, legal scholarship seems to agree that there is an overall evolution towards codification, proceduralization and publicization.[102] This has been

[100] I. Koivisto, 'The IMF and the "Transparency Turn"', (2016) 25 *Minnesota Journal of International Law* 381, 381–383; A. Gupta, 'Transparency under Scrutiny: Information Disclosure in Global Environmental Governance', (2008) 8 *Global Environmental Politics* 1, 6.

[101] See Morlino, *Procurement by International Organizations*, providing an extensive presentation and examination of the legal framework regarding procurement by international organizations. See also A. Grigorescu, 'Transparency of Intergovernmental Organizations: The Roles of Member States, International Bureaucracies and Nongovernmental Organizations', (2007) 51 *International Studies Quarterly* 625; M. Donaldson and B. Kingsbury, 'Power and the Public: The Nature and Effects of Formal Transparency Policies in Global Governance Institutions', in A. Bianchi and A. Peters (eds.), *Transparency in International Law* (Cambridge University Press, 2013), 502.

[102] Morlino, *Procurement by International Organizations*, 47–95; A. Peters, 'Towards Transparency as a Global Norm', in A. Bianchi and A. Peters (eds.), *Transparency in International Law* (Cambridge University Press, 2013), 534.

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the case of the United Nations system since the mid-1980s.[103] This is also reflected by the Annual Statistical Report on UN Procurement (ASR), which was first presented in 1984,[104] and by Resolution 39/220,[105] under which the need for regular reporting of the procurement data was recognized by the General Assembly and organizations of the United Nations system were encouraged to participate in this reporting exercise. However, contrary to the EU institutions, individuals (whether companies or citizens) do not enjoy rights to access information held by international organizations.[106] In this regard, international law relies on states as those who may invoke rights, if at all. Judicial review *stricto sensu* of transparency policies and procurement would require a different legal order.[107]

According to the annual reports of the Big Four[108] and the United Nations' database, the Big Four have been constantly providing services to the United Nations system[109] between 2010 and 2021. Collectively they have contracted for 513,283,709.69 USD [half a billion] (PWC[110]: 214,188,842.41, Deloitte[111]: 129,352,569.43, KPMG[112]: 93,448,152.29 and Ernst & Young[113]: 76,294,145.56), providing services on Education and Training, Finance and Insurance, Politics and Civic Affairs, Management and Admin,

[103] Morlino, *Procurement by International Organizations*, 91–92, where it is mentioned that 'UN Financial Rules and Regulations and the UN Procurement Manual are probably the most complete example of procurement rules set by an international organization for its own procurement activities, and have been adopted as parameters for the other agencies within the UN family, many of which have their own financial rules and regulations and procurement manuals . . .'.

[104] www.ungm.org/Shared/KnowledgeCenter/Pages/asr_about.

[105] UNGA Res 39/220 (18 December 1984) UN Doc A/RES/39/220.

[106] See A. Tzanakopoulos, 'Transparency in the Security Council', in A. Bianchi and A. Peters (eds.), *Transparency in International Law* (Cambridge University Press, 2013), 367.

[107] Morlino, *Procurement by International Organizations*.

[108] See the Annex.

[109] Specifically, 26 out of the 38 funds, programmes, UN specialized agencies, other entities and bodies and related organizations which are of the UN system (at www.un.org/en/about-us/un-system), e.g., International Fund for Agricultural Development (IFAD), International Labour Organization (ILO), International Telecommunication Union (ITU), Organization for the Prohibition of Chemical Weapons (OPCW), United Nations Development Programme (UNDP), World Meteorological Organization (WMO). Six more organizations or bodies not included under the above list were reported and included under the database, namely United Nations Office at Geneva (UNOG), Pan American Health Organization (PAHO), United Nations Volunteers (UNV), United Nations Procurement Division (UNPD), United Nations Economic Commission for Africa (UNECA), United Nations Office at Nairobi (UNON).

[110] PWC was searched under the names 'PWC' and 'Pricewaterhousecoopers'.

[111] Deloitte was searched under the name 'Deloitte'.

[112] KPMG was searched under the name 'KPMG'.

[113] Ernst & Young was searched under the names 'ERNST&YOUNG', 'ERNST AND YOUNG' and 'EY'.

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Transportation, Storage and Mail, Engineering and Research, Environment, Public Order and Security, Public Sector, Healthcare, Industrial Clearing, Editorial, Design and Graphic, Building and Maintenance, Accounting, Auditing, Human Resources, Business and Corporate Management, Technology, Software Maintenance and Support, Personnel Services, Monetary Systems and Issues, Consultancy, Training, Evaluation, IT Consultancy, Studies and Research, Nutrition and Social Mobilization.

4.13 INTERIM CONCLUSION

Comparing the EU institutions with the United Nations system, collectively the Big Four have contracted for a much smaller amount of money with the latter. Between 2010 and 2021 they have contracted for 513,283,709.69 USD, although in the case of the EU only from 2014 to 2021 according to the Financial Transparency System the Big Four have been the beneficiaries of funding of 817,490,000.00 EUR from the EU budget and the European Development Fund and according to the opentender.eu platform they have been involved in contracts awarded by the EU institutions from 2009–2021 with a volume of 4,592.8 million or in other terms 4.5 billion EUR. Taking into consideration the plurality of international organizations to whom the Big Four provide services and the fact that the 4.5 billion EUR does not signal the total amount of money awarded only to the Big Four since, in the respective tenders, other companies/entities et cetera participate as well, the comparison suggests that most probably the Big Four are making more money at the level of international organizations than at the EU level. The topics dealt with are almost the same with respect to international organizations and the EU, with the exception of Engineering and Research Services, Industrial Clearing, Building and Maintenance Services. The Annual Statistical Report on UN Procurement uses different wording, but the services can quite easily be identified.

The differences in the respective legal frameworks of the EU and the UN are not mirrored in the quality, accessibility and concentration of data. Overall, the degree of transparency is low. One notable exception at the EU level is the opentender.eu platform which, however, is not run by EU institutions.

4.14 THE WAY FORWARD

The only way forward seems to be to engage in a much deeper analysis which could only be executed with participation of the Big Four, the EU institutions and the United Nations system. What remains to be done and what could be done at the EU level is to analyse the tenders, check when the Big Four have

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won the tender, search for the final report on the website of the EU – provided it is available – and then dive deep into the respective legislative means in order to find out whether and to what extent the EU institutions have been following the advice from the Big Four. However, while such a research design might reveal the involvement of the Big Four in what the EU institutions call research projects, this might be different from the policy advice on which the current paper focused.

ANNEX

The reports of the Big Four relied on, and insofar not referenced elsewhere in this chapter, can be found at the following sites (in lieu of a very lengthy footnote):

PWC:
www.pwc.ec/es/publicaciones/assets/pdf/global-annual-review-2010.pdf;
http://fs.monadnockresearch.com/pubfiles/PwC_2011_Annual_Review.pdf;
www.pwc.com/gx/en/annual-review/2012/assets/pwc-global-annual-review-2012.pdf;
www.pwc.com/gx/en/annual-review/2013/assets/pwc-global-annual-review-2013.pdf;
www.pwc.com/gx/en/global-annual-review/assets/pwc-global-annual-review-2014.pdf;
www.pwc.com/gx/en/about-pwc/global-annual-review-2015/campaign-site/pwc-global-annual-review-2015.pdf;
www.pwc.com/gr/en/about-us/assets/pwc-global-annual-review-2016-making-a-difference.pdf;
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