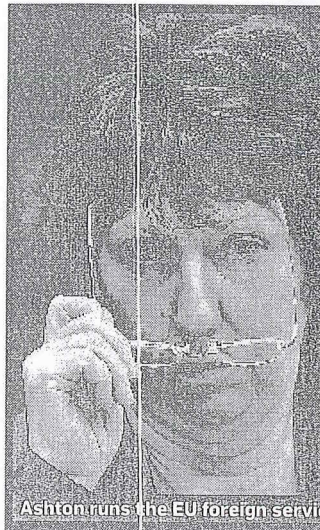
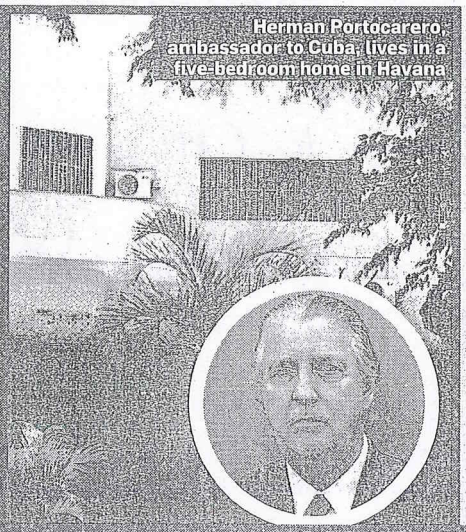
Bojan Pancevski and Lucy Fisher

EU diplomat's home costs £25,000 a month



Ashton runs the EU foreign service



Herman Portocarrero, ambassador to Cuba, lives in a five-bed room home in Havana

Diplomatic spoils

EU embassies worldwide
143

EU diplomatic staff worldwide
over 5,000

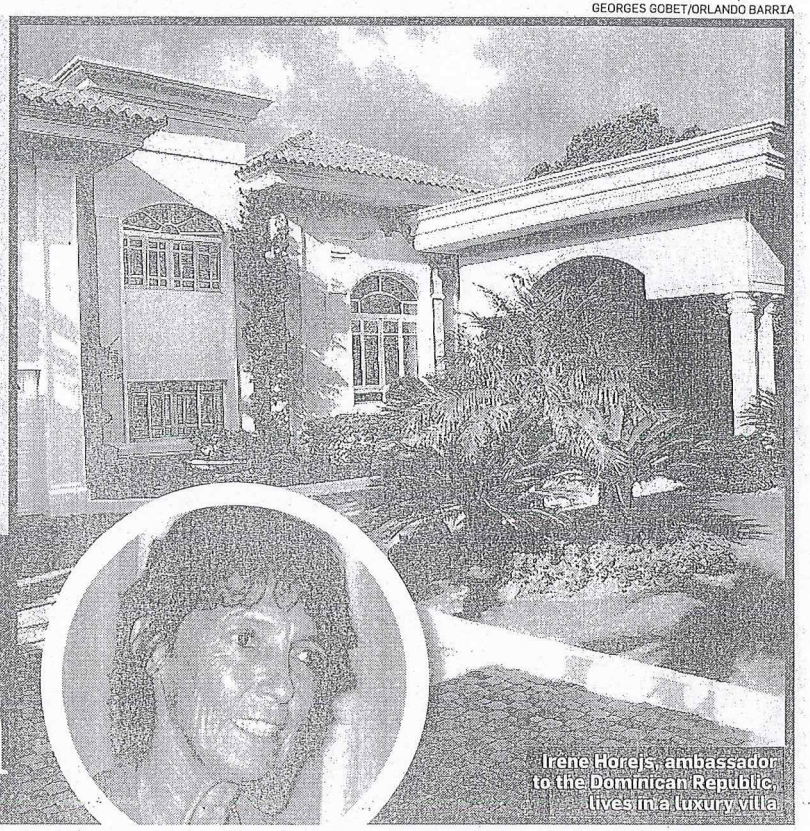
Annual cost of EU diplomatic programme
£400m

Average pre-tax salary of ambassador
£244,000

Ambassadors' perks

- first class travel for family
- expat allowances
- private health insurance
- own-car grants/chauffeurs

GEORGES GOBET/ORLANDO BARRIA



Irene Horejs, ambassador to the Dominican Republic, lives in a luxury villa

THE property bill for the European Union's diplomatic arm has reached almost £69m a year, much of it spent on luxury homes for EU representatives.

The Spanish EU ambassador to Russia is living in a rented residence costing £25,000 a month and the Dutch EU ambassador to Hong Kong is in an apartment that costs almost £17,000 a month.

MEPs in charge of controlling the budget have criticised the expenditure as "outrageous" because many of the European diplomats live in homes whose cost greatly exceeds local property prices.

In 2011 alone, the European External Action Service (EEAS), effectively the EU's foreign office, which is run by Labour peer Baroness Ashton, signed contracts for its employees' private residences worth more than £55m. At the same time, an internal audit report found that the overall financial management of embassies was either "not satisfactory" or "insufficient" in 33% of the cases examined.

In the Dominican Republic, the impoverished Caribbean country with an annual GDP of about £6,000 per capita, the EU ambassador lives in a £7,000-a-month luxury villa surrounded by a tropical garden with a large pool lined with palm trees.

In Cuba, the EU ambassador lives in a stately five-bedroom home in Havana's Miramar district, the neighbourhood of the former president Fidel Castro.

The EU pays £8,000 a month in rent for the property, although a luxurious apartment for top international expatriates in a similar location costs about £800.

Even in Haiti, a country devastated by conflict and natural disasters with a GDP per capita of only £750, the EU ambassador rents two villas for £3,300 a month.

"This expenditure is far removed from the reality of the people in these countries," said Martin Ehrenhauser, an independent Austrian MEP who is campaigning for better spending at EU level.

"The rules for official residences must be changed and the spending has to be significantly reduced and capped."

Philip Bradbourn, the Conservative MEP for the West Midlands and spokesman on budgetary control, said: "These outrageous expenses reflect what we always thought would happen when the EEAS was set up: it is largely duplicating the work of national embassies at enormous cost while the value to the taxpayer is next to nothing.

"The agency turns out to be not so much a valuable diplomatic service as an expensive estate agency providing luxurious pads in exotic places."

The EU has 143 embassies across the globe and a staff of more than 5,000 working under Ashton.

Two new EU embassies in Burma and the United Arab Emirates were opened last week.

EU diplomats enjoy high salaries that are taxed at a low rate as well as many allowances and perks, such as a high number of holidays and free travel home.

Some EU diplomats are also entitled to hire staff for them and their families.

Ashton initially promised that the EEAS would not pose an extra burden on the EU budget, but the annual costs have now climbed to £400m.

A spokesman for Ashton said she had inherited some of the overseas properties from the European Commission, the EU's executive, and she and her officials were doing everything to provide "absolutely the best value for money possible.

"You cannot compare an ambassador's residence with a three-bed flat in the city centre," the spokesman said. "These are more than just houses — they are used for official business, like hosting all 27 EU member state ambassadors for regular meetings.

"You couldn't do that in a three-bed flat. The comparison is fatuous. A fairer comparison is with the residence of a national ambassador, and you'll find we compare extremely favourably on that score. The selection criteria for residences are the price, size, security, location, image, state and technical aspects of the building. Residences are selected based on market research. The object is to provide the best value for money as compared to the residences of member state ambassadors."

The high costs of some of the EU residences emerged after MEPs asked parliamentary questions.