



Commission proposal on voluntary lobby register – an important but too timid step towards EU lobbying transparency

ALTER-EU press release, 21 March 2007

The Alliance for Lobbying Transparency and Ethics Regulation in the EU (ALTER-EU) welcomes the European Commission's second Communication on the European Transparency Initiative as an important step in the right direction. But given the global relevance of the EU and the influence of organised lobby groups on EU policies, the voluntary approach favoured by the Commission is too weak and too limited.

Regrettably, today's Communication ignores wider problems of undue corporate influence on EU policy-making. By first trying out a voluntary lobbying register, the European Commission is wasting precious time – EU citizens will have to wait several more years before they get effective EU lobbying transparency.

Financial disclosure: the right choice

ALTER-EU considers it important that the Commission will require lobbyists to disclose financial information about relevant budget figures and a breakdown of clients and/or funding sources.

ALTER-EU believes that more precise requirements on financial disclosure (especially for law firms, think tanks and corporate lobby units) are necessary if financial disclosure is to increase transparency of EU lobbying. A requirement to disclose income per client has been strongly opposed by the for-profit lobbyists, even though in the US similar obligations for lobbying firms have worked well. With the voluntary register proposed today, the EU remains well behind transparency regulations in the US and elsewhere.

William Dinan from SpinWatch (a UK-based research group) says: "For our part, as NGOs campaigning for lobbying transparency, we already publish information about our budgets and income sources, and we stand ready to sign on to the new register and disclose the required financial information."

A voluntary register: the wrong choice

ALTER-EU is in favour of the establishment of a register for all lobbyists targeting the European institutions, including lobbyists working with public affairs consultancies, corporate lobby units ('in-house representatives'), NGOs, think-tanks, trade associations and law firms.

The voluntary option favoured by the Commission is the wrong choice. Christine Pohl from Friends of the Earth says: "By first trying out a voluntary lobbying register, the European Commission is making EU citizens wait several more years before they get effective EU lobbying transparency. The whole system depends on an appeal to the lobbyists' conscience or their fear of damaging their reputation. But those that want to stay in the shadows will never register or disclose financial information on a voluntary basis."

ALTER-EU is concerned that a voluntary register will never "cover the landscape of European interest representatives as comprehensively as possible" or "ensure that decision-makers and the general public can identify and assess the strength of the most important driving forces behind a given lobbying activity" – two of the Commission's stated objectives for the ETI Communication.

After a trial period of one year, running from Spring 2008 till Spring 2009, the Commission will evaluate the voluntary register and may go for "stricter measures, in the form of compulsory registration and reporting." It will be difficult to judge the success or failure of a voluntary register: while it will be evident how many lobbyists do register, it would be much more relevant to find out how many do not.

Code of Conduct: a responsibility

ALTER-EU agrees with the Communication's statement that, when it comes to codes of conduct for lobbyists, "self-regulation is not seen as a viable option". Recent cases have shown that the Codes of Conduct of Public Affairs Associations and their self-regulatory complaint mechanisms do not work.

EU citizens can only trust a code of lobby conduct if all lobbyists sign up, if there are credible sanctions for violating the code, and if there is an independent body monitoring compliance. The Commission's proposal falls short on all these points, as it only proposes "reviewing and updating the existing minimum requirements it adopted in 1992".

Most regrettably, the Commission has not yet made any concrete proposals on how to improve its own internal codes of conduct for Commission staff. This code should be amended urgently to include extended 'cooling off' periods before Commissioners and senior officials can start working for lobby groups or companies that have a direct financial interest in EU laws.

Jorgo Riss, director of Greenpeace EU Unit said: "Given the increasing size and power of the EU, the very limited efforts by the Commission to increase transparency around EU policy-making and the influence of lobbyists on EU laws are insufficient. The Commission is holding out a candle when it should be switching on the flood-lights to make lobbying in the EU transparent and open to public scrutiny."

Wider problem of undue corporate influence at EU level

A few weeks ago, the Commission took an important step towards improving transparency on special advisers, by releasing a list of 55 names of special advisers to the Commission and making sure that they had no conflicts of interest.

However, much remains to be done on improving transparency and ensuring a balanced composition of the many expert groups advising the Commission. Regrettably, the Communication on the ETI does not put forward specific proposals in this area.

About ALTER-EU

ALTER-EU is a coalition of over 140 civil society groups, trade unions, academics and public affairs firms calling for: "an EU lobbying disclosure legislation; improved code of conduct for European Commission Officials; the European Commission to terminate cases of privileged access and undue influence granted to corporate lobbyists."

The founding statement of the Alliance for Transparency and Ethics Regulation (ALTER-EU) and a list of signatories are available on www.alter-eu.org.

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Expert comment from Canada and the US

Two experts from ALTER-EU partner organisations in Canada and the US – countries that do have mandatory lobbying disclosure systems – are available for comments on the Commission Communication on the European Transparency Initiative:

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