European Federation of Public Service Unions (EPSU)

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New research reveals big business still in charge of EC advisory groups, despite promising reform to Parliament

Should speculators be given privileged access to dominate advice on financial regulation, beverage companies on alcohol policy, or fossil fuel companies on climate change?

A new report released today by ALTER-EU, AK EUROPA and ÖGB Europabüro [1] shows the Commission is doing just that, putting big business in charge of its advisory groups despite promising MEPs reform over a year ago after they froze groups' budgets. The European Federation of Public Service Unions (EPSU) welcomes the effort by civil society to fight the corporate takeover.

Assessing all 'Expert Groups' created in the year since the freeze was lifted [2], the research shows that in the department responsible for tax (DG Taxation and Customs Union, TAXUD), almost 80% of stakeholders represent corporate interests, with only 3% representing small- and medium-sized enterprises (SMEs) and 1% representing trade unions [3]; in the Secretariat-General (SG), the figure for corporate interests is 64% and in DG Enterprise and Industry (ENTR) it is 62%. Across all groups recently created by the Commission there are more representatives of big business than all other stakeholders combined [4].

The Secretariat-General, responsible for overseeing the Commission-wide reforms of Expert Groups, is not only continuing to create corporate-dominated Expert Groups, but 73% of its members who are supposed to be there in an 'independent' capacity are actually directly linked to big business interests. Among the 'independent' experts across the Commission's new groups, there are more corporate interests than academics [5].

The report also highlights the troubling implications of corporate-dominated expert groups through several case studies, for example where tax dodgers advise on tax reform, giant telecommunications companies dominate the debate on data privacy, or a closed shop of pro-big business 'experts' monopolise advice on tackling the eurocrisis [6].

Pascoe Sabido representing ALTER-EU steering committee member Corporate Europe Observatory says: "*The corporate capture of many of these new groups, particularly astounding in DG Taxation, shows the Commission has clearly broken its promise to the Parliament to tackle this problem. At a time when trust in political institutions – national and European – is at an all-time low, the Commission must ensure Expert Groups are as democratic, transparent and accountable as possible, and not merely seen as doing corporations' bidding*."

Nadja Salson, [her speech will be available on www.epsu.org/a/9881] tax justice campaigner with the European Public Services Union and the only workers representative on the Commission's Platform for Tax Good Governance says: "*By inviting notorious advocates of tax havens and corporate tax avoidance to an Expert Group charged with tackling that problem, the Commission is making a mockery of its intentions to recoup the €1 trillion lost by EU* *members states every year. It needs to stop listening to corporations and their damaging deregulatory agendas and start prioritising the interests of its citizens and workers, not just in its tax Expert Groups but across all of them*."

Campaigners are calling on the Commission to show it is serious about its commitment to reform Expert Groups by imposing a moratorium on the creation of any new groups in the worst-performing DGs until existing ones improve [7]. Campaigners are also calling on MEPs to fulfil their warning made last year that they would refreeze all Commission Expert Group budgets if there is no improvement, and urge them to view the start of the next Parliamentary term as the deadline.

In September 2012 the Parliament unfroze the Commission's Expert Groups budget following promises of reform, yet one year on it is clear that the promises made to MEPs by the Commission have been broken.

The report can be found at: http://www.alter-eu.org/documents/2013/11/a-year-of-broken-promises

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Notes for editors

[1] ALTER-EU is is a coalition of more than 200 civil society groups, trade unions, academics and public affairs firms concerned with the increasing influence exerted by corporate lobbyists on the political agenda in Europe.

The Austrian Trade Union Federation (ÖGB) represents 1.2 million workers based on voluntary membership in Austria. The ÖGB Europabüro, its Brussels office, is part of the Austrian Permanent Representation to the EU;

The Austrian Federal Chamber of Labour (Arbeiterkammer) represents the interests of 3.4 million employees and consumers in Austria. AK EUROPA, its Brussels office, is part of the Austrian Permanent Representation to the EU.

[2] MEPs, concerned by the Commission's unwillingness to fix the problem of corporate-dominated Expert Groups, froze the Groups' budget in November 2011, finally approving it in September 2012 after the Secretariat-General, the Commission department responsible for

Expert Groups, broadly agreed to implement four conditions: No corporate domination of Expert Groups; No lobbyists sitting in Expert Groups in a personal capacity; Open call for public applications for all new groups; Full transparency of minutes, agendas and contributions by the Commission.

[3] All calculations exclude representatives of governments, and focus entirely on places given to non-government stakeholders.

[4] Overall, 52% of seats were taken by representatives of big business, compared to 3% for SMEs and 3% for trade unions.

[5] 41% of 'independent' experts are in fact linked to big business, while 40% are independent academics.

[6] The report highlights the Platform for Tax Good Governance, an Expert Group which is supposed to be tackling tax evasion and avoidance but is dominated by closely-linked representatives of tax dodgers and their accountants; the Data Retention Expert Group, which is supposed to be assessing the implementation of the EU's highly-controversial data retention Directive but all members represent corporate interests, with big questions around transparency; the Expert Group on a Debt Redemption Fund and Eurobills, looking at how to share the debt burden of periphery countries across the eurozone, was hand-picked by Commission President José Manuel Barroso and Vice-President and champion of austerity Olli Rehn, and is dominated by pro-big business 'experts' who are supposed to be 'independent' despite having direct links to big banks and corporations.

[7] The worst DGs are Taxation and Customs Union and the Secretariat-General, although many DGs were found to be not complying with the four conditions outlined by MEPs, in particular Agriculture and Rural Development, Enterprise and Industry, Home Affairs, Internal Market, Mobility and Transport and Research and Innovation.

EPSU is the European Federation of Public Service Unions. It is the largest federation of the ETUC and comprises 8 million public service workers from over 265 trade unions; EPSU organizes workers in the energy, water and waste sectors, health and social services and local and national administration, in all European countries including in the EU's Eastern Neighborhood. EPSU is the recognized regional organization of Public Services International (PSI).

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