



Focus

EU lobbying under spotlight

Almost 15,000 lobbyists in Brussels may face new working practices after the European Parliament backed a report which calls on them to disclose their fees and have their names on a mandatory public list. The author of the report - Finnish MEP Alexander Stubb (EPP-ED) - praised lobbyists saying "policy making would be very poor without their contribution". The full parliament voted to back the report on 8 May. This focus looks at the issues raised by the Stubb report.

Initially drafted by former MEP Alexander Stubb, now Finland's Foreign Minister, the report has been taken over by his EPP-ED colleague Ingo Friedrich.

There was general support for the report by MEPs when it was debated in the plenary, although Mr Friedrich, commenting on the liberal group's proposal to include churches in the list of lobbying organisations, said: "churches are partners according to the treaties, not lobbyists".

The Socialists and Greens called for the register to be in force before the 2009 EP elections. Sylvia-Yvonne Kaufmann from the GUE/NGL group, said having clear rules on lobbying is "crucial for the credibility of EU legislation".

To find out more about lobbying in Brussels and the European Parliament in particular, read our series of articles below including an interview with the Mr Stubb from last November and key elements of the report and reactions to it .

MEPs put EU lobbying under spotlight

Lobbying: a normal part of the democratic process or something that exerts more power than it should? This afternoon MEPs in the Constitutional Affairs Committee will meet to discuss lobbying ahead of a report Parliament is preparing on the issue. The European Parliament has 4570 accredited lobbyists. Many of the lobbyists are NGOs and pressure groups such as amnesty international. Trade associations, regions, cities and companies (for example British Airways) constitute the rest.

No gifts allowed!

At present the Parliament's own Code of Conduct says that lobbyists must clearly state who they represent when dealing with MEPs and staff and refrain from offering any gifts.

Early in 2007 the European Commission decided to set up a voluntary register where lobbyists declare who they are and how they are funded. In a Green paper that preceded the register, the Commission said it saw lobbyists as an important part of the democratic process. However, it warned that "it must be clear to the general public what input they provide". They are hopeful the list will be available from early next year.

Part of the problem is that there are no reliable figures on the number of lobbyists who work in Brussels. Estimates vary from 15,000 to 20,000 people who are employed in that way. As a comparison, in 2005 a survey for the "Washington Post" concluded that over 34,000 lobbyists were registered in the US capital.

European Commissioner for Administrative Affairs Siim Kallas estimates there are 2,600 interest groups established in Brussels.

Am I being lobbied?

Face to face meetings with MEPs and Commission officials are just two ways that lobbyists operate. They also send letters, emails and make phone calls to people in an effort to make them aware of their concerns. Advocacy campaigns and coalition building around issues are two other ways that lobbyist work.

In December, MEPs on the Constitutional Affairs Committee will adopt a report based on their findings - the full Plenary will vote on it in January next year. We plan to have an interview with Alex Stubb in the coming weeks.

This article was published on 8 October 2007

Shedding (more) light on Brussels lobbies

Should there be a register for lobbyists in the EU? Should it be voluntary or mandatory? And to what extent should lobby groups disclose their income sources? These were the big issues during a workshop on lobbying organised 8 October by the Constitutional Affairs Committee, ahead of a Parliament report on the issue. Read what MEPs and Brussels lobbyists think.

MEPs generally felt that lobbying was a positive force, but most workshop participants agreed that there should be register of lobbyists to prevent misconduct. There was less agreement on what lobbyists would have to disclose, for example finances and clients, and on whether registration should be voluntary or obligatory.

"Lobbying, taken for itself, is something positive. We (MEPs) welcome everybody that can contribute something," said Committee Chairman, German Socialist Jo Leinen.

"I believe that lobbying is an essential part of the parliamentary process," said Alexander Stubb of the Finnish National Coalition, who is drafting the report on lobbying. Lobbyists "provide useful information (and MEPs are) smart enough to realise that the information they get is subjective".

On the other hand Luxembourg Green Claude Turmes sees the "huge dependence on lobby advice (as) a weakness." He said it would be better if MEPs had larger staffs to gather independent information.

Lobbying - a black box?

There were also concerns about a lack of transparency. "Brussels lobbying happens...in a black box. No one knows who is lobbying on behalf of whom and on what issue," said Paul de Clerck of the Alliance for Lobbying Transparency & Ethics Regulation (ALTER EU).

Among the problems he highlighted were "front groups" who pretend to represent citizens but have in fact been initiated by lobbying consultancies and funded by companies with vested interests. Mr de Clerck said current rules make it difficult to figure out which groups fall into this category.

He also noted that many people who work for the European Commission or another EU institution then move on to work for lobbying groups.

Registering lobbyists: voluntary or mandatory?

In late 2006 the EP supported "calls for mandatory disclosure for corporate and other lobbyists." A voluntary register will be launched early next year, on the initiative of Commission Vice-President Siim Kallas. Lyn Trytsman-Gray, from the Society of European Affairs Professionals, said, "We are comfortable with voluntary registration and in principle SEAP members would like to be in a position to register."

However, British Socialist Richard Corbett said, "A voluntary system is not going to work. The people that you want registering are those that don't want to."

Jim Murray of the European Consumer's Organisation BEUC warned: "There must be clear incentives in registering, if the voluntary system is to have any success...Given the number of interests that threaten to boycott the register it may not be long before a mandatory system will be introduced. He suggested that Parliament should deny access to lobbyists not on the Commission register.

What about the money?

The inclusion of financial data, as planned by the Commission, was hotly debated. José Lalloum from the

European Public Affairs Consultancies Association said, “EPACA does not oppose financial disclosure if it is applied to everyone alike across the board with a clear set of criteria and if issues of commercial contractual obligations are respected.” But in the case of voluntary registration, financial disclosure would distort competition between those registering and those that don’t. His organisation won’t recommend that members sign up to a voluntary register.

Thomas Tindeman, from the Council of Bars and Law Societies of Europe said: “the public disclosure of clients...would be against the rule of client confidentiality (and) could involve criminal sanctions for the lawyer concerned”.

Lessons to be learned from Washington?

Comparisons were drawn with the Washington Lobbying Disclosure Act of 1995 which provides for a definition of what a lobbyist is and for obligatory registration and disclosure of lobbying income and expenditure.

Several speakers were very positive about the US lobbying act’s detailed and clear definitions, but Mr Corbett pointed to “huge difference between the EU and the US” particularly the much heavier dependence in the US on financial campaign contributions.

This article was published on 16 October.

Lobbying rapporteur Stubb calls for more transparency

Greater transparency and stricter rules on lobbying are two of the proposals likely to be contained in a new report on lobbying being prepared by the EP's Constitutional Affairs Committee. Greater financial disclosure and more information about companies' clients are may also be required. Parliament's rapporteurs may be called on to put in their report all the people they have consulted. Ahead of the report's release we spoke to the man who will draft it - Finnish MEP Alexander Stubb (EPP-ED).

The Commission's Transparency Initiative is the starting point for your report. A central point of the initiative is to register lobbyists. What are your thoughts on the register?

After listening to a lot of people and sending questionnaires to all MEPs, my feeling is we need to have more transparent and slightly stricter rules.

I see basically three models of dealing with lobbying; one is the American model, which has gone to extremes. You have 575 pages of rules for lobbyists and if for example a politician is present at a seminar you cannot offer a sit-down dinner, it has to be a buffet-dinner! The reason for that system is that political funding is very closely linked to lobbying.

Then you have another extreme which we actually have in most EU Member States where there are no lobby rules whatsoever. Various parliaments listen to so-called "experts" who are of course lobbyists.

Then we have the EU model, where the Commission had nothing so far, but in the Parliament we have a register already since the 1990s. The question now is what we should do with our Parliament register...

... do you think there should be a common register with the European Commission?

In the beginning I was sceptical about the administrative feasibility of this. Having thought about it long and hard, I don't think it is such a bad idea after all. Lobbying in the two institutions, however, differs. Here at the Parliament you get a badge and you walk around freely, in the Commission you can't get a badge to walk around. Therefore, I would first want to see how we can do this in practice.

Would the register apply equally to all lobbyists?

I think that all lobbyists were created equal. For me the representatives of industry and the representatives of trade unions are lobbyists when they are engaged in lobbying activity. They are all pushing for a vested interest.

I believe that the register should be voluntary. This is because otherwise if somebody for instance from the agricultural union in Poland just wants to come and see an MEP: is he allowed to do that if the register is mandatory? Or would he be required to go through the whole rigmarole to register? That might be going a little too far...but if you want to be a serious lobbyist, you will register anyway.

How far do you think financial disclosure should go?

I feel that there should be a certain amount of financial disclosure, because that improves transparency.

Private companies could tell the percentage of their revenue spent on lobbying. I think professional lobby organizations should tell who their clients are, and NGOs where their funding comes from.

Transparency works both ways - the MEPs have to be transparent as well. For this reason I am going to propose a system, where as the Parliament's rapporteur, you should indicate in a footnote all the different

people and lobbyists that you have heard in the process. I call it the "legislative fingerprint". I think that lobbying is something positive and essential, but it just has to be transparent.

In what ways are lobbyists important for the Parliament?

My argument is that the best briefed person in Brussels is the Commissioner, because he has hundreds of civil servants behind him. The second best briefed person is the Minister who comes to the Council, because he or she has between 100 and 1,000 civil servants behind him, depending on the size of the ministry and the country. An MEP has only a few assistants, usually between one and three.

So, as an MEP you need to have a certain network, and I think in providing basic information the lobbyists are good. They are necessary for the legislative process. If for instance we are dealing with the speedometers of two to three wheeled motor vehicles, it would be ridiculous for me to say that I am a specialist in the field.

Have you been approached by lobbyists for your report on lobbying?

Yes, definitely, I have been lobbied by lobbyists on lobbying. For the sake of transparency I have actually written down in my blog all the different lobbyists that have seen me. We Finns are perhaps a bit too transparent for the liking of some.

I am quite strict with lobbyists myself in the sense that I give lobbyists 15 minutes in and out: make your case, leave me your papers, thank you, good-bye and then I draw my own conclusions. Due to time constraints, I think that working dinners or lunches are a waste of time, but that is just me.

Alexander Stubb was nominated Foreign Minister of Finland on Tuesday, 1 April 2008.

This article was published on 5 November 2007.

MEPs back compulsory list of lobbyists

A mandatory register of EU lobbyists and full public disclosure of how much funding they receive due to lobbying. These are just two of the recommendations contained in a report on lobbying endorsed by the Constitutional Affairs Committee Tuesday. It also called for a voluntary "legislative footprint" to be published for parliamentary reports. This would record all those who have had significant input in the preparation of the text. The report was drafted by Finnish MEP Alexander Stubb (EPP-ED).

Also to be included is any "outside support" to "intergroups" formed by MEPs on a cross party basis on a single issue - for example the animal welfare intergroup. The report will be put to a vote of the full European Parliament on 8 May when they meet in Brussels.

Compulsory or voluntary list of lobbyists?

There are an estimated 15,000 lobbyists working in Brussels. Of these 5,000 are currently registered with the European Parliament. The issue of whether they should be asked to register on a voluntary or compulsory basis was one of the most controversial aspects in the drafting of the report. At present the European Commission has a voluntary list of lobbyists.

MEPs on the committee decided to vote in favour of setting up a mandatory common register for the Parliament, the Commission and the Council. They also want rules for the inclusion and expulsion from the list, including standards of ethical behaviour. This will require an agreement with the Commission and Council, which will have to be negotiated. There is to be an interinstitutional working group that should deliver results by end of this year.

Financial disclosure

Regarding the extent to which the fees lobbyists get are to be made public the following are the most important facts:

- Professional consultancies and law firms on the register would have to publish turnover attributable to lobbying the EU institutions.
- "In-house lobbyists" of companies and trade associations, to declare an estimate of the costs associated with direct lobbying of the institutions.
- Think tanks and NGOs would need to indicate their major sources of funding.

Who will it apply to?

The definition put forward in the Stubb report and supported by the Constitutional Affairs Committee defines "lobbyists" as all those from the public and private sector who carry out "activities with the objective of influencing the policy formulation and decision-making processes of the European institutions".

It then lists those it will apply to:

"Professional lobbyists, companies' in-house lobbyists, NGOs, think-tanks, trade associations, trade unions and employers' organisations, profit-making and non-profit organisations and lawyers when their purpose is to influence policy rather than case-law."

Reaction from MEPs

Alexander Stubb called the report "a major step forward" whilst Spanish MEP Íñigo Méndez de Vigo said the "report should clarify some of the myths around lobbying" and is fully supported by the EPP-ED group".

The report was adopted with 18 votes in favour, 1 against and 3 abstentions and was welcomed by most of the EP's political groups. Leading Liberal ALDE members such as Andrew Duff (UK) stressed the need for

a mandatory rather than voluntary register.

UK Socialist Richard Corbett underlined the increased transparency if the report's recommendations are implemented while Spanish Socialist Carlos Carnero stressed his group's support for publishing "the names of those pressure groups and lobbyists which have been consulted in the drawing up of European legislation".

Green Co-President Monica Frassoni called the vote "a signal that there is majority in parliament for a more robust approach towards the regulation of lobbyists" but called for a clear commitment from the plenary to have the new rules in place next year.

Transparency campaigners, such as ALTER-EU as well as federations of lobbyists, like the European Public Affairs Consultancies Association (EPACA), also welcomed the outcome of the committee vote, saying that it would increase transparency for citizens and media and provide a "level playing field" among the different lobbyists.

One man who won't be in Brussels for the vote is Alexander Stubb. He has just been nominated as Finland's new Foreign Minister following the resignation of his predecessor.