



Autumn 2016

The EU lobby transparency register: now or never

The European Parliament “calls on the Commission to submit, by the end of 2016, a legislative proposal for the establishment of a mandatory register”.

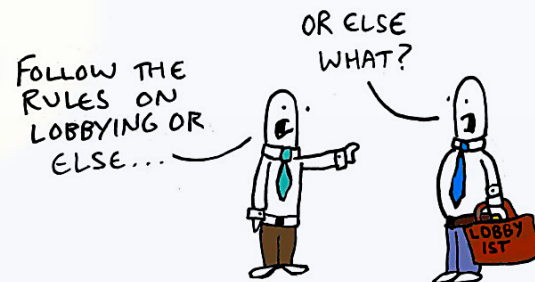
European Parliament decision of 15 April 2014

The European Commission will shortly launch a proposal for a reformed (and “mandatory”) lobby transparency register, and it will invite the Council to join the Commission and the European Parliament in negotiating an inter-institutional agreement to make this reality.

The Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU) welcomes any initiative to improve the present transparency register. The current register (jointly coordinated by the Commission and Parliament) is far from ideal. It is voluntary and riddled with inaccurate or misleading information. In 2015 Transparency International estimated that over half the entries contained factual errors or implausible numbers, and it is clear that the register authorities lack both the capacity and the powers to challenge both inaccurate entries and those who lobby yet refuse to sign up.

But the Commission’s decision to initiate an inter-institutional agreement (IIA) rather than a legislative proposal means that the register is unlikely to become truly mandatory as it will not have legal powers to take action against those who don’t follow the rules. It also flies in the face of the European Parliament’s own demands: in April 2014 it called for the Commission “to submit, by the end of 2016, a legislative proposal for the establishment of a mandatory register”. It followed similar resolutions approved in 2008 and 2011.

THE EU GETS
TOUGH ON LOBBYING



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Lobby transparency is an important tool in the fight for public-interest decision-making at the European level. A comprehensive, legally-binding lobby transparency register would tell us who is influencing EU decision-making, on which issues, on whose behalf, and with what budgets.

Our 6 priorities for a revised lobby register

1. A legally-binding lobby register
2. Effective monitoring of the data and enforcement of the register's rules
3. Improved sanctions to boost data quality and registrations
4. Officials and MEPs should only meet with registered lobbyists
5. Include the European Council, Council and permanent representations
6. Tighter lobby register data disclosure requirements



1. A legally-binding lobby register

For ALTER-EU, a lobby register which is no longer voluntary but is instead backed by the force of law, is essential if all lobbyists are to sign-up and if the register is to provide an accurate snapshot of lobbying in the EU institutions. We wish to see all institutions negotiating a legally-binding lobby register by 2017.

Without a legally-binding lobby register, the authorities cannot levy fines and other sanctions, or mount criminal investigations into those who repeatedly refuse to register, who post inaccurate information, or who otherwise break the rules.

As a recent [ALTER-EU report](#) highlighted, some law firms are also major lobby actors which represent their own interests, or those of their clients, to Commission officials and to MEPs. But too many have refused to join the lobby register (and therefore the requirement to declare lobby costs, clients, lobby topics etc) but they escape sanction because the current system is only voluntary.

Law firms and other lobbyists that refuse to register make a mockery of the present system. A legally-binding lobby register is the only way to block this loophole, and could be introduced alongside a clear threshold for registration which clarifies what constitutes 'lobbying' and which contacts with decision-makers do not eg. citizens contacting their local MEP.

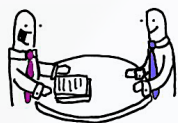
2. Effective monitoring of the data and enforcement of the lobby register rules

The human resources and software capacity devoted to the EU lobby register, as well as its investigatory and enforcement powers, need to be totally transformed so that effective monitoring checks are carried out on at least 20 per cent of all declarations each year, and all complaints are dealt with speedily.

Lobby-data crunching tool [LobbyFacts](#) recently found that 76 per cent of the entries at the top of the current EU lobby register were flawed and that of the 51 organisations declaring the highest lobby spend, only 12 were likely to, in fact, be among the biggest lobbyists. In fact, there was only one reliable-looking entry among the 30 entries declaring the highest lobby spend. There is a huge 'dodgy data' problem in the lobby register and this must change if citizens are to have confidence in the system. The secretariat for the current (voluntary) EU lobby register, with its 9500+ registrations, is staffed by only a handful of people. This is seriously inadequate considering the Canadian register with its 2600+ registrations has 28 staff members to administer and police the system, including a 'commissioner of lobbying'.

THE EU LOBBY REGISTER SHOULD SHOW

WHO ACTUALLY DOES THE MOST LOBBYING



AND NOT JUST WHO DECLARES THE
MOST LOBBYING



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3. Improved sanctions to boost data quality and registrations

Under a voluntary (non legally-binding) register, submitting inaccurate and / or misleading information must be specified as a punishable offence. If such data is not remedied or justified within a month of the secretariat raising it with the registrant, it should lead to the suspension of all privileges which come from being part of the register for up to one year, depending on the severity of the offence. Suspended lobby groups should be placed on a public blacklist. Under a legally-binding register, fines or criminal prosecutions would additionally be possible.

Currently, the only real sanction available to the lobby register authorities is removal from the register and this can only occur in cases where there has been “non-cooperation” with the secretariat, “inappropriate behaviour” or “serious non-compliance” with the code of conduct for lobbyists. While ALTER-EU has complained to the secretariat about a number of lobby groups that have submitted inaccurate register entries, no punitive action has been taken and such organisations have been able to maintain the privileges that come with being part of the lobby register, including having European Parliament access passes and holding lobby meetings with commissioners or other senior staff at the Commission.

4. Officials and MEPs should only meet with registered lobbyists

The Commission’s meeting policy should be immediately extended so that no official is allowed to meet with unregistered lobbyists.

Currently, no commissioner, cabinet member or director-general is allowed to meet an unregistered lobbyist. ALTER-EU welcomes this rule but is concerned that it only covers the top 250 or so most senior officials in the Commission. In fact, many lower level officials from among the 30,000+ Commission staff regularly meet with lobbyists, including the key TTIP negotiators, for example, but they are not included within the rules.

If MEPs, their staff and Parliament staff choose to meet with lobbyists, they should first ensure they are registered.

While the European Parliament is party to the lobby register, MEPs are not subject to any rules to prevent them from meeting with unregistered lobbyists. This must change, if non-registered lobbyists are to be squeezed out of the law-making process. But this proposed new rule would not place unnecessary restrictions on MEPs. It would not prevent MEPs from meeting with citizens from their constituencies, local civic associations or small-scale entrepreneurs, none of whom would be required to join a legally-binding register unless they met a minimum threshold requirement for lobbying activity.

5. Include the European Council, Council and permanent representations

ALTER-EU supports the extension of the EU lobby register to fully include the European Council, the Council and permanent representations.

The European Council and Council are significant EU institutions, and a recent ALTER-EU report illustrates the significant lobbying which also occurs towards the member states’ permanent representations in Brussels – and the huge lack of transparency that surrounds it. Until this comprehensive EU register comes about which includes these bodies, there should be significant improvements to national lobby transparency rules to ensure that lobbying of permanent representations, as well as national governments, is explicitly included there.

6. Tighter lobby register data disclosure requirements

A series of detailed changes are required to the rules of the lobby register in order to further boost data quality and to ensure that the register presents a reliable picture of lobbying at the EU level:

Up-to-date registrations: All registrants should submit at least two updates per year, and on shared dates.

Financial disclosure: Currently, lobby consultancies and law firms are required to disclose their lobby turnover but only in some very broad bandwidths which become less transparent the bigger the sums involved. Instead, all client lobby revenue for the previous year should be precisely declared and all client revenue for the current year should be declared to the nearest 10,000 euros. For other organisations, all lobby spending should be disclosed to the nearest 10,000 euros.

Lobby issue disclosure: The register needs to properly enforce rules requiring disclosure of specific dossiers

lobbied on. Additionally, all lobby consultancies and law firms should be required to list, alongside the specific lobby revenue received from each client, the precise issues upon which they lobby and / or advise each client.

Lobbyists' names disclosure: The names of all individuals lobbying on behalf of a registrant should be listed.

Disclosure of lobbying through third parties: Organisations should specify all third party organisations which it pays (via membership fees, donations, payments for lobbying services provided etc) and through which it conducts its lobbying and indicate how much it pays to them: law firm, lobby consultancy, NGO coalition etc.

End funding exemptions: Think-tanks should be required to publish a list of their funders and the sums involved. Additionally, all lobby consultancies and trade associations should declare their full turnover / budget, matching the information that NGOs and think tanks already provide. All registered organisations should specify the expenditure of any Brussels based offices.

What can you do?

ALTER-EU asks all political groups to prioritise the inter-institutional agreement (IIA) on lobby transparency to ensure that it delivers a lobby transparency register which is accurate, comprehensive and robust. In particular this means:

- ▶ Ensure that the European Parliament's co-chair of the IIA working group is a real transparency champion, committed to comprehensive reform of the present, inadequate register. Please also ensure your political group appoints working group members who are committed and active on the lobby transparency issue.
- ▶ Demand that the activities of the working group are conducted in an open and transparent fashion, with full and detailed agendas and minutes published, and meetings open to observers. There should be a public consultation on the draft IIA before it is concluded.
- ▶ Support the ALTER-EU demands in this briefing when the IIA is voted upon in committee and in plenary.
- ▶ Become an active transparency advocate by refusing to meet with lobbyists (other than citizens or constituents) who are not registered; and publishing all your lobby meetings held online.

For more information, contact:

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ALTER-EU is registered in the EU Transparency Register under number: 2694372574-63.

