## Basic information

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|---|---|
| **2007/2115(INI)**<br><br>INI - Own-initiative procedure | Procedure completed |
| Development of the framework for the activities of interest representatives (lobbyists) in the European institutions<br><br>**Subject**<br><br>8.40 Institutions of the Union<br>8.40.01.08 Business of Parliament, procedure, sittings, rules of procedure<br>8.40.16 Relations with interest representatives | |

## Key players

### European Parliament

| Committee responsible | Rapporteur | Appointed |
|---|---|---|
| AFCO Constitutional Affairs | STUBB Alexander (PPE-DE) | 07/06/2007 |

| Committee for opinion | Rapporteur for opinion | Appointed |
|---|---|---|
| CONT Budgetary Control | POMÉS RUIZ José Javier (PPE-DE) | 04/06/2007 |
| ECON Economic and Monetary Affairs | BERÈS Pervenche (PSE) | 22/05/2007 |
| ENVI Environment, Public Health and Food Safety | TURMES Claude (Verts/ALE) | 29/05/2007 |
| JURI Legal Affairs | WALLIS Diana (ALDE) | 18/06/2007 |
| LIBE Civil Liberties, Justice and Home Affairs | SØNDERGAARD Søren Bo (GUE/NGL) | 17/07/2007 |
| PETI Petitions | The committee decided not to give an opinion. | |

### European Commission

| Commission DG | Commissioner |
|---|---|
| Secretariat-General | BARROSO José Manuel |

## Key events

| Date | Event | Reference | Summary |
|---|---|---|---|
| 21/03/2007 | Non-legislative basic document published | COM(2007)0127 | Summary |
| 06/06/2007 | Committee referral announced in Parliament | | |
| 01/04/2008 | Vote in committee | | Summary |
| 02/04/2008 | Committee report tabled for plenary | A6-0105/2008 | |
| 08/05/2008 | Decision by Parliament | T6-0197/2008 | Summary |
| 08/05/2008 | Results of vote in Parliament | | |
| 08/05/2008 | Debate in Parliament | | |
| 08/05/2008 | End of procedure in Parliament | | |

## Technical information

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| **Procedure reference** | 2007/2115(INI) |
| **Procedure type** | INI - Own-initiative procedure |
| **Procedure subtype** | Initiative |
| **Legal basis** | Rules of Procedure EP 55 |
| **Stage reached in procedure** | Procedure completed |
| **Committee dossier** | AFCO/6/49742 |

## Documentation gateway

**European Parliament**

| Document type | Committee | Reference | Date | Summary |
|---|---|---|---|---|
| Committee opinion | ENVI | PE392.127 | 29/11/2007 | |
| Committee opinion | JURI | PE394.065 | 20/12/2007 | |
| Committee opinion | LIBE | PE396.474 | 08/01/2008 | |
| Committee opinion | CONT | PE390.742 | 22/01/2008 | |
| Committee draft report | | PE396.734 | 12/02/2008 | |
| Committee opinion | ECON | PE394.011 | 28/02/2008 | |
| Amendments tabled in committee | | PE402.883 | 07/03/2008 | |
| Amendments tabled in committee | | PE404.487 | 13/03/2008 | |
| Committee report tabled for plenary, single reading | | A6-0105/2008 | 02/04/2008 | |
| Text adopted by Parliament, single reading | | T6-0197/2008 | 08/05/2008 | Summary |

**European Commission**

| Document type | Reference | Date | Summary |
|---|---|---|---|

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|---|---|---|---|
| Non-legislative basic document | COM(2007)0127 | 21/03/2007 | Summary |
| Follow-up document | COM(2009)0612 | 28/10/2009 | Summary |

# Development of the framework for the activities of interest representatives (lobbyists) in the European institutions

2007/2115(INI) - 21/03/2007 - Non-legislative basic document

PURPOSE: Communication following-up the Green Paper on 'European Transparency Initiative'.

CONTENT: this Communication follows from the Green Paper adopted in May 2006, the objective of which was to launch a broad public consultation on the need for a more structured framework for the activities of interest representatives (lobbyists), on consultation standards; and on mandatory disclosure of information about the beneficiaries of EU funds under shared management. Following wide-ranging consultation, the Commission here provides feedback in response to the arguments put forward in the consultation process and decides on the follow-up measures to the Green Paper.

**Activities of interest representatives**: to recall, in its ETI Green Paper, the Commission suggested a new framework for lobbying activities which would be based on a voluntary registration system with incentives for lobbyists to register. The incentives would include automatic alerts of consultations on issues of known interest to the stakeholders. The Commission states that many contributions supported the establishment of a voluntary register, but that a considerable number of those consulted, in particular NGOs, advocated a compulsory approach as the only way of ensuring full transparency.

The Commission proposes here a voluntary approach with an additional incentive, which at the same time would strengthen both the application and enforcement of existing Commission policy on consultation. It intends to combine the voluntary register with a new standard template for internet consultations. If organisations submit their contributions in the context of such a consultation they will be systematically invited to use the register to declare whom they represent, what their mission is and how they are funded. This is justified because having sufficient information about the organisations participating in a consultation is clearly a precondition for any meaningful assessment of the relevance and usefulness of the contributions they submit. With regard to financial disclosure required to join the register, the Commission considers it necessary and proportionate to request registrants to declare relevant budget figures and breakdown on major clients and/or funding sources. The main objective of revealing how interest representatives are funded is to 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. On this basis, the Commission will apply the following minimum criteria in assessing whether the information supplied is sufficient to join the register:

- for professional consultancies and law firms involved in lobbying EU institutions, the turnover linked to lobbying EU institutions, as well as the relative weight of the clients in this turnover, should be declared.

- for "in-house" lobbyists and trade associations active in lobbying, an estimate of the cost associated with the direct lobbying of EU institutions should be provided;

- for NGOs and think-tanks, the overall budget and breakdown per main sources of funding (amounts and sources of public funding, donations, membership fees etc.) should be declared.

Furthermore, the Commission will examine to what extent the future register could serve as a tool for identifying NGOs entitled to launch a procedure under Regulation (EC) No 1367/2006 on the application of the Aarhus Convention to the Community Institutions, which stipulates that NGOs will be entitled to request an internal review of certain administrative acts under environmental law.

With regard to the **Code of Conduct**, the Commission proposes to review and update the existing minimum requirements it adopted in 1992. Subscribing to the code should become a requirement for lobbyists wishing to be included in the new register, in line with the example set by the European Parliament. The Commission also proposes to discuss with Parliament the possibility of an inter-institutional approach to lobbying.

**Consultation Standards**: the Commission feels that a reinforcement of the application of standards is necessary in order to raise further the general level of quality of the Commission's consultations. Such a reinforced application will focus, in particular on providing better feedback, a more coordinated approach to consultation and the need for ensuring plurality of views and interests expressed in consultations. This approach will help improve the quality of the Commission's impact assessments, thereby contributing to the implementation of the Commission's 'better regulation' policy.

The Commission will therefore put more emphasis on measures such as: training and appropriate awareness-raising among staff; sharing information and good practices on stakeholder consultation between the Directorates-General; reviewing the practical guidelines for stakeholder consultation; and creating a new standard consultation template to improve the consistency of open public consultations.

**Publication of Beneficiaries of EU Funds**: on this issue, the Commission was very encouraged to see several Member States abandoning their explicit opposition in favour of cooperation with the Commission, leading to a consensus on the desirability of publishing the relevant data, and the relevant amendments were made to the Financial Regulation. The Commission points out that the reality is that the data on beneficiaries are collected by the implementing bodies in the Member States to whom management is delegated. To achieve the goal of publishing the data as of 2008, it describes the

procedure it proposes, in cooperation with the European Data Protection Supervisor. This involves hosting a central web portal with links to the relevant websites in Member States. This site will, in turn, be linked to the website on EU funds under direct management launched by the Commission in 2006. The second step is to ensure the comparability and 'searchability' of data.

Conclusion: as a follow-up to its Green Paper, the Commission will:

- create and launch in spring 2008, a new voluntary register for interest representatives with an "alert" function (the existing CONECCS database will be wound down);

- increase transparency through reinforced application of the Commission's consultation standards based, in particular, on a standard website for internet consultations, and including scrutiny of the participants. This tool would be linked to the register;

- draft a Code of Conduct to be discussed with stakeholders in 2007. The Code will be a requirement for entry in the register and will be monitored by the Commission;

- reinforce the application of the Commission's consultation standards by means of a series of practical, in-house measures;

- pursue and implement its policy on the publication of the beneficiaries of EU funds.

# Development of the framework for the activities of interest representatives (lobbyists) in the European institutions

2007/2115(INI) - 28/10/2009 - Follow-up document

In its Communication on the follow-up to the Green Paper "European Transparency Initiative", the Commission stated that the Register of Interest Representatives would be open in Spring 2008 and that a review of the system would be conducted one year later.

By presenting this Communication, the Commission considers that the **results obtained so far, the ongoing overall trend observed, and the main observations formulated in this Communication underpin the basic choices that have been made for the system**, namely: a voluntary approach, a reasonable level of financial disclosure, and declarations by organisations rather than individuals.

As the system is still in its expansion phase, **it is not possible to draw a final conclusion purely on the basis of quantitative data**. The universe of interest representation is itself volatile and unlimited. Overall, the voluntary approach is working and should therefore be maintained.

The Communication considers the number of registrations reached shows that the Register provides a sound basis on which to build, and that further improvements could help to strengthen it.

**1) Registration**: at this point in the process of the finalisation of the text, the overall number of registrations has already passed the 2 000 mark. The Commission has seen a steady influx of registrations during the past 16 months, and the number is still rising. Therefore, the coverage of the Register, though already quite significant at this stage, has not yet achieved its full potential.

**A very large and steadily growing number of trade associations that are active in lobbying have registered, as well as "in-house", corporate lobbyists, and this trend shows no sign of saturation for the time being**. Although some non-governmental organisations would have preferred a mandatory Register, a similar trend is seen in the case of non-governmental organisations, especially those belonging to European networks, and this also applies to a large number of those engaged in regular interaction with Commission services.

In contrast to these favourable trends across the board it must be noted that, regrettably **two sub-categories of operators are still, for the most part, outside the Register**:

- **Law firms** engaged in activities of interest representation as defined by the Commission remain largely unregistered. The Commission has provided detailed information on the definition of activities falling within and outside the scope of the Register in the case of lawyers and law firms. This approach has already made matters clearer and should now make it easier for those in this category to register;
- **Think-tanks**: the Commission recalls that the Register covers all interests represented, be they specific or general and therefore expects think-tanks to register.

This evolution reflects the fact that **registration is becoming a normal process** for more and more organisations. A significant element is the fact that registered operators, who have voluntarily committed to a transparent relationship with the European Institutions, now adhere to a common Code of Conduct, introduced by the Commission, or to other codes with similar contents.

In addition, **the Register becomes a reference for Commission services.** Commission staff have been informed about the Register and training sessions have been offered on it. Internal instructions invite all staff to use the Register and to promote it in their contacts with interest representatives. These awareness-raising and information activities will be maintained.

Lastly, the **self-regulatory should remain a key component of the system**. In this regard the Commission notes that several major, horizontal networks have recommended to their members that they should register. The Commission encourages this attitude. A number of networks have even provided direct guidance to their members about how to handle the registration process itself. The Commission encourages all networks to follow these good practices, as this will lead in time to a consistent implementation of the system. It expects the authors of such guidelines to make them public so that this work can also be done in a fully transparent manner.

**2) Improvements**: the Communication highlights possible improvements or corrections to be made to the system in the light of experience.

**As regards financial disclosure**: corporate lobbyists and trade associations/ federations still point to the difficulties they are having in making an estimate in good faith of the "cost associated with the direct lobbying of EU institutions". The Commission considers that the current guidance given in the Commission's interpretative documents needs to be made more specific, along the following lines:

- registrants should disclose all expenditures covering actions initiated with the aim of influencing European policy formulation or decision-making processes, irrespective of the communication channel or medium it is using (whether direct or indirect, using outsourcing, media, contracts with professional intermediaries, think-tanks, "platforms", *fora*, campaigns, etc.). Social events or conferences fall within the scope of the Register if invitations have been sent to staff or members of European Institutions;

- the activities to be declared for the financial disclosure of the Register are those aimed at all European institutions and bodies, their members, and their services, as well as European agencies and their personnel. These activities also include activities directed at the Permanent Representations of the Member States, including the Council Presidency. However, activities aimed at influencing Member States' authorities in the capitals or any sub-national authority are deemed to be outside the scope of the Register;

- hence, in order to determine whether an activity falls within the scope of the declaration, two questions have to be answered: What is the purpose of the activity and who is its target? In the light of an earlier clarification provided by a Communication in 2008where the Commission excluded from the scope all activities that are a "response to the Commission's direct request", a third question can be added, namely: "Who took the initiative to launch the activity?"

Other improvements suggested by the Commission, concern:

- **the clarification of the scope of the exemption on legal advice and assistance**. This concerns in particular the specific activities of lawyers, which fall outside the scope of the Register;
- **transparency and "double counting"**, i.e. the fact that the same costs are declared several times by different registrants;
- **the adjustment of the requirements as regards the disclosure of information**: to ensure a more level playing field for all registrants, the list of ranges should be extended beyond the current limit of € 1 000 000. Registrants are also asked to declare the relative weight of their clients in this turnover by placing all their clients in brackets. Currently, the brackets are expressed in bandwidths of either € 50 000 or 10 %-points. To correct this bias the Commission intends to abolish the percentage option and to introduce differentiated brackets instead, according to the amount of the turnover declared.

The Commission also intends **facilitating the registration of think-tanks** and improving the estimation of the number of individuals concerned.

As regards the **monitoring and enforcement mechanism**, the document states that during the past months, 10 complaints have been filed, four of which were deemed to make a sufficiently strong case to justify an administrative inquiry. In three cases, no violation of the Code of Conduct was established. One registrant has agreed to rectify its declaration after a short suspension; one gave a convincing explanation allowing the Commission to close the investigation without further action.

**Inter-Institutional Cooperation**: the European Parliament and the European Commission are endeavouring to work together towards a common Register. In April 2009 a joint working group already agreed on a first series of steps towards achieving that objective, and on a set of guidelines plus a revised draft code of conduct. Pending the arrival of this "one-stop shop", the two institutions already launched a common web-page offering citizens a more comprehensive insight into who is seeking to influence decision-making at EU level.

This Communication, drawing on the lessons and experience from the first year of operation of the Register, as well as from the inputs provided by a large number of registrants and users, will serve as a basis for this common approach to be discussed between the two institutions in the near future.

# Development of the framework for the activities of interest representatives (lobbyists) in the European institutions

2007/2115(INI) - 08/05/2008 - Text adopted by Parliament, single reading

The European Parliament adopted by 547 votes to 24 and 59 abstentions, a resolution on the development of the framework for the activities of interest representatives (lobbyists) in the European institutions. The own-initiative report was tabled for consideration in plenary by Ingo **FRIEDRICH** (EPP-ED, DE) on behalf of the Constitutional Affairs Committee.

**Improving Parliament's transparency:** Parliament recognises the influence of lobby groups on EU decision-making and therefore considers it essential that Members of Parliament should know the identity of the organisations represented by lobby groups. It emphasises that equal access to all the EU institutions is an absolute prerequisite for the Union's legitimacy and trust among its citizens. It is, moreover, essential that representatives of civil society have access to the EU institutions, first and foremost to Parliament.

In this context, Parliament acknowledges that a rapporteur may, as he or she sees fit (on a voluntary basis), use a "legislative footprint", i.e. an indicative list, attached to a Parliamentary report, of registered interest representatives who were consulted and had significant input during the preparation of the report. It stresses that it is equally important for the Commission to attach such "legislative footprints" to its legislative initiatives.

**Commission proposal:** Members welcome the Commission's proposal for a more structured framework for the activities of interest representatives as a part of the European Transparency Initiative. They agree with the Commission's definition of lobbying as "activities carried out with the objective of influencing the policy formulation and decision-making processes of the EU institutions". All players, including both public and private interest representatives, outside the EU institutions falling within that definition and regularly influencing the institutions, should be considered lobbyists and

treated in the same way: professional lobbyists, companies' in-house lobbyists, NGOs, think-tanks, trade associations, trade unions and employers' organisations, profit-making and non-profit-making organisations and lawyers when their purpose is to influence policy rather than to provide legal assistance and defence in legal proceedings or to give legal advice.

Parliament also welcomes in principle the Commission's proposal for a "one-stop shop" where lobbyists could register with both the Commission and Parliament. It calls for an interinstitutional agreement between the Council, the Commission and Parliament on a common mandatory register that would be applicable in all institutions and include full financial disclosure, a common mechanism of removal from the register and a common code of ethical conduct. Bearing in mind, however, the essential differences between the institutions, Parliament reserves the right to evaluate the Commission's proposal when it is finalised and, only then, to decide on whether to support it. Parliament calls for mutual recognition between the Council, the Commission and Parliament of separate registers in the event that a common register is not agreed.

It goes on to propose that a joint working group of Council representatives, Commissioners and Members of the European Parliament should be set up without delay, with the aim of considering, by the end of 2008, the implications of a common register for all lobbyists. Any code should contain a strong monitoring element with regard to the conduct of lobbyists. Members stress that sanctions should apply to lobbyists who breach the code of conduct, and sufficient resources (staff and funding) must be set aside for the purposes of verifying the information on the register. For the Commission's register sanctions may include suspension from the register, and in more serious cases removal from the register.

The resolution emphasises the need for the register to be user-friendly and easily accessible on the Internet. It must include not only the names of the lobbying organisations but also the name of the individual lobbyists themselves. The register should also contain separate categories in which lobbyists should be registered according to the type of interests they represent (e.g. professional associations, company representatives, trade unions, employers' organisations, law firms, NGOs, etc.).

Parliament welcomes the Commission's decision to request that the requirement of financial disclosure by interest representatives joining the register apply to the following: a) the turnover of professional consultancies and law firms attributable to lobbying the EU institutions, as well as the relative weight of their major clients; b) an estimate of the costs associated with direct lobbying of the EU institutions incurred by in-house lobbyists and trade associations ; c) the overall budget and breakdown of the main sources of funding of NGOs and think-tanks.