

 To: Commission President José Manuel Barroso
Cc: Commission Vice-Presidents Siim Kallas and Margot Wallström Secretary General Catherine Day
From: Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU)
Date: Brussels, 13 February 2008
Subject: Implementation of European Commission lobbying register

Dear President Barroso,

We have grave concerns over the way the Commission is currently developing the lobbying register that you announced in the 2007 communication: *Follow-up to the Green Paper 'European Transparency Initiative'*.

As you may know, the Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU) is a broad coalition of over 160 public interest groups, trade unions, academics and public affairs firms, advocating, among others, effective measures that will allow public scrutiny of EU decision-making.

When we recently met with your services to present ALTER-EU's benchmarks for the EU lobbying register (attached to this letter), we learned that in the Commission's current specifications for the register, two crucial pieces of information are missing: the register will not include the names of individual lobbyists and it will lack meaningful information on how much money is spent on lobbying.

When Vice-President Kallas presented the European Transparency Initiative, he underlined that increased transparency on lobbying will help ensure that an Abramoff-style scandal never happens in the EU. We wish to alert you that with the very limited information requirements currently proposed by your services, the register would not permit journalists and others to expose such types of lobbying scandals.

We do not understand why your services wish to exclude lobbyists' names from the register. Existing lobbying transparency registers in the US and Canada contain the names of individual lobbyists, as does the register of the European Parliament. If the new EU lobbing transparency register does not allow the identification of individual lobbyists, it cannot serve as a tool to investigate 'conflicts of interest' and 'revolving doors'. Leaving out lobbyists' names would put the credibility of the European Transparency Initiative at stake.

We also wish to alert you that financial disclosure in broad ranges of \in 50,000 or – even worse – flexible ranges of 10% of the total lobbying income of a lobby firm¹, could allow big lobbying funders to hide within seemingly wide strategic alliances. For example: a company spends \in 50,000 on a lobby campaign and enlists two other companies who symbolically support that campaign with \in 1,000 each. The system would not distinguish between large and small donors within the strategic alliance, and the register would thus fail to provide transparency. The US register shows that it is possible for lobby firms, with little administrative effort, to report their lobbying income related to each of their clients every six months, rounded off to the nearest US \$ 10,000 (which compares to bands of \in 7,500).

¹ With an annual lobbying income of around $\notin 2 \text{ mn}$ in 2007 for a medium sized lobby firmt, a range of 10% would imply that each category would represent $\notin 200,000$. Consequently, lobby contracts for an amount of $\notin 5,000$ would be in the same category as contracts for $\notin 190,000$, rendering the information useless.

If the EU register will not answer simple questions like "who are the lobbyists?" or "how much money is spent on lobbying by whom?", it would be useless.

Three years have passed since the Commission first announced a lobbying transparency register. As EU Member States are in the process of ratifying the Lisbon Treaty, we feel it is more important than ever for the Commission to show its commitment to deliver greater transparency in EU decision making. We hope that you will instruct your services to go forward and launch a register that will list the names of lobbyists, the interests they represent, and the finances involved. These are the three most basic, objective data for public scrutiny.

ALTER-EU has been broadly supportive to the European Transparency Initiative so far. We wish to continue supporting your efforts to deliver greater transparency, and thus hope that you will ensure the register prepared by your services will meet basic transparency benchmarks. Needless to say, if the Commission register were to be practically useless for transparency purposes, we would have to reconsider our support.

On the basis of our recent discussion with your services, we would like to meet with you as soon as possible.

Yours sincerely,

The ALTER-EU Steering Committee:

- Paul de Clerck (Friends of the Earth Europe)
- William Dinan (Spinwatch)
- Marc Gruber (European Federation of Journalists)
- Ulrich Müller (LobbyControl)
- Jorgo Riss (Greenpeace European Unit)
- Erik Wesselius (Corporate Europe Observatory)

The Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU) www.alter-eu.org / info@alter-eu.org