



Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU)

Press Release

For immediate release: Thursday 6 March 2008

EUROPEAN COMMISSION FAILS TO ACT AGAINST CONFLICTS OF INTEREST

Brussels (Belgium), 6 March - The Alliance for Lobby Transparency and Ethics Regulation (ALTER-EU) is disappointed with the European Commission's Communication on "Enhancing the Environment for Professional Ethics in the Commission" launched yesterday.[1] The Communication does not formulate clear policies and measures against conflicts of interests of public office holders or cases of "revolving doors", when former senior Commission staff start to work as lobbyists.

ALTER-EU welcomes measures that would help officials identify situations of actual or potential conflict, as well as the announcement that rules regarding outside activities and provisions dealing with officials who have left the service will be revised [2]. However, the Communication does not specify what kind of rules the Commission is planning to introduce. "The Commission is downplaying ethics rules as internal matters, but the issues at stake are of major public concern", explains Christine Pohl from Friends of the Earth Europe. "ALTER-EU has already proposed clear rules such as binding cooling-off periods to prevent cases of revolving doors. The Commission needs to act and come up with concrete proposals on how to solve these problems", she added.

"The new Communication on ethics is far too weak", says ALTER-EU

The Communication does not address many of the real problems that have been identified by ALTER-EU and others over the past few years. For instance, a recently published book exposes industry lobbyists that work at the Commission as 'Seconded National Experts' or 'temporary administrators', shaping EU legislation and policies from behind their desks as Commission officials [3]. The book quotes Commission Vice-President Siim Kallas, who argues that these practices should be stopped, but the Communication does not address the issue at all. "It is unacceptable that lobbyists work inside the Commission", says Ulrich Mueller from LobbyControl. "We ask the Commission to formally announce the termination of this practice and disclose all cases that have happened in recent years", he said.

Regrettably, the Commission has based its Communications on the December 2007 study on regulating conflicts of interest for holders of public office, carried out by the European Institute of Public Administration in December 2007 [4]. The main conclusion from this study is that the Commission's ethics rules compare favourably to those of other EU institutions and most Member States. "The study contains serious flaws in both methodology and argumentation, makes unacceptably weak recommendations and essentially lets the Commission off the hook", says Olivier Hoedeman from the Amsterdam-based Corporate Europe Observatory. "The conclusions only underline how under-regulated many types of conflicts of interest still are in most Member States. Using the study's conclusions as an argument for preserving the status quo at the Commission is misguided and could be interpreted as a sign of complacency", he added.

ALTER-EU calls upon the Commission to come up with concrete measures to deal with revolving doors, conflicts of interest and lobbyists working inside the institutions. ALTER-EU believes that the integrity of European institutions is at stake – therefore the debate about these measures needs to be public and not a purely internal process within the Commission.

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NOTES:

- 1) “Communication from Vice-President Kallas to the Commission on Enhancing the Environment for Professional Ethics in the Commission”. The Communication will soon be published on the [website of Commissioner Kallas](#). Until then it can be obtained from DG Admin.
- 2) Page 5 of the Communication: “identify situations of actual or potential conflict and realise when and how they should report such situations to their hierarchy, including conflicts of interests stemming for example from personal or family ties, from outside activities or assignments or from financial interests in certain undertakings”
Page 5 of the Communication: “revise and update the existing Commission decision on outside activities and assignments, in particular in order to reassess the distinction between commercial activities and other activities, the definitions of ‘outside activity’ and ‘public office’, and the provisions dealing with officials who have left the service.”
- 3) Among the cases mentioned in a new book by German journalists Sascha Adamek and Kim Otto titled “[Der gekaufte Staat](#)” is an employee of accounting giant KPMG who works in the European Commission on the dossier of corporate taxation. Also a lobbyist for chemicals firm BASF first worked as a ‘temporary administrator’ in the European Commission, and then moved to the German Ministry of Economic Affairs, his salary paid by the company. The book highlights very serious cases of conflicts of interest, revealing that over a hundred industry lobbyists are working in German ministries (paid by corporations and lobby groups) and that this deeply problematic phenomenon also exists in Brussels.
- 4) The study, “[Regulating Conflicts of Interest for Holders of Public Office in the European Union](#)”, carried out for the European Commission by the European Institute of Public Administration, was published on 11 December 2007.
The study only assesses the rules for Commissioners, and not high-level officials and other staff. It does not analyse the effectiveness of various forms of regulation, it only states whether some form of regulation exists. Nor does the study include any mention of concrete cases of conflicts of interest and how these could have been prevented. The authors, who are extremely biased against stricter forms of regulation, recommend a very weak model for regulating conflicts of interest which would in some respects mean a step backwards for the Commission, for instance on ‘post-employment’ (revolving doors) issues.
[A six-page critique of the study](#) is available on the ALTER-EU website

ABOUT ALTER-EU

ALTER-EU, the Alliance for Transparency and Ethics Regulation, is a coalition of over 160 civil society groups, trade unions, academics and public affairs firms calling for: an EU lobbying disclosure legislation; improved ethics rules for European institution officials; a termination of cases of privileged access and undue influence granted to corporate lobbyists. The ALTER-EU founding statement and a list of signatories are available on www.alter-eu.org.