

Meeting Transparency Register – Stakeholders

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A. What is the overall balance sheet of the Transparency Register? Both in terms of meeting its own objectives (wide coverage, proportionate, informative, etc) and in terms of how it compare to other similar regulatory system in the world.

There have been some improvements to the register over past year, but remain insufficient in order for TR to meet its objectives.

(1) Numbers of registered entities have risen, but the Transparency Register is not yet "de-facto" mandatory. As the study by Greenwood and Dregerb points out, between 25-30% of actors in Brussels are missing from key categories such as companies (even more in other), for example we count 110 large companies who have not yet registered; hardly any of the major law firms that lobby are registered (some that were registered even chose for deregistration due to wish to maintain client confidentiality), and these problems are largely due to the voluntary approach. Some new registrations due to public pressure ex. Monsanto, Deutsche Bank. A transition to a mandatory register is the only sustainable solution to secure sufficiently high levels of registration for each of the key categories of lobbying entities.

(2) The quality of data has improved, especially due to new monitoring procedures, but there are still big problems. The information is limited and unreliable. This means the register does not meet the objective of providing citizens with a comprehensive and reliable picture of who is lobbying, on whose behalf, on which issues and with which budgets.

(3) In an international framework, the EU has the advantage of maintaining a broader definition of lobbying than the USA, which is very positive. However there is far lower

coverage than in the USA of key categories such as companies, consultancies and law firms (around 25% of consultancies are not registered in the EU, and very few law firms). The US model is not perfect, but coverage of the main lobbying actors is extremely high (in Washington DC US watchdog groups virtually never come across unregistered companies that lobby, while this is a very widespread problem in Brussels). The quality of data is better in the USA and despite the recent phenomenon of deregistration (by a small part of lobbyists) following new ethics policies introduced by Obama (such as revolving door restrictions and exclusion of registered lobbyists from advisory groups), as described by the American Bar Association, the Bar still favours a mandatory approach and tighter disclosure obligations for lobbyists. The study by the American Bar Association, clearly, cannot be used as an argument for a voluntary lobby register.

B. What would be your agenda for change? Why and how?

- **A compulsory vs a voluntary register.**

ALTER EU supports a mandatory register & suggests a two-track approach:

(1) Short term: incentives should be found for lobby groups to register, e.g. Commissioners & public officials should only participate in events organised by registered entities, the Commission should only meet with registered entities;

(2) Long term: a mandatory lobby register. ALTER EU has requested a legal opinion from **Markus Krajewski**, Professor of Public and International Law at the University of Erlangen-Nuremberg on the legal basis and procedure for a mandatory system. The event where the study will be presented will take place in EP on 17 June at 18h30. MEPs Monica Macovei and Evelyn Regner will speak at this event. ALTER-EU reminds of the fact that the EP in its resolution of 2011 repeated “its call for the mandatory registration of all lobbyists on the Transparency Register” and called “for the necessary steps to be taken in the framework of the forthcoming review process in order to prepare for a transition to mandatory registration”. [European Parliament decision of 11 May 2011 on conclusion of an interinstitutional agreement between the European

Parliament and the Commission on a common Transparency Register (2010/2291(ACI))].

- **Bandwidths and thresholds for financial declarations should be lowered:** bandwidths should be 10,000EUR and a bottom threshold (of for instance 5,000EUR per quarter) should be introduced for registration (in order to exempt citizens and small groups that are not involved in lobbying on a major scale). Further proposals for more detailed disclosure requirements are included in ALTER-EU's new report "*Rescue the Register! How to make EU lobby transparency credible and reliable*".
- **The level of detail and scope of the Code of conduct.**

The code of conduct should be adapted and updated (also in the light of the new EP Members Code of Conduct). ALTER EU puts forward three main points:

(1) There should be a cooling off period for civil servants who move to the private sector to lobby;

(2) Lobby groups should not employ MEPs or MEP assistants;

(3) There should be more clarity regarding the definition of inappropriate behaviour.

- A more ambitious approach is needed in the complaint procedures (in many cases convincing complaints about under-reporting did not lead to clear conclusions)
- There should be a distinction in treatment of non-registered entities

C. How does your own organisation intend to contribute itself to help us achieve our common goals? Promotion within your members, a requirement for your own members, etc.

- continue to monitor the register closely, to close the loopholes, for instance the new study "*Rescue the Register! How to make EU lobby transparency credible and reliable*"

- continue to make complaints relative to non compliant organisations
- upgrade and promoting the use of ALTER-EU and CSCG guidelines developed for NGOs' registrations (relative to topics and spending);
- Commissioned a study on the legal basis for a mandatory register, the results of which will be rendered public on Monday 17 June 2013 at 18:00.