

## **European Commission Must Act to Curb Excessive Corporate Lobbying Power**

**To: José Manuel Barroso, President of the European Commission  
200 rue de la Loi, 1049 Brussels, Belgium**

Amsterdam, October 25 2004

Dear Mr. Barroso,

The undersigned over 50 civil society groups from more than a dozen European Union countries call upon you to act immediately to curb the excessive influence of corporate lobby groups over EU policy-making. Over fifteen thousand full-time lobbyists now operate in Brussels, a large majority representing business interests. Lobby groups succeed all too frequently in postponing, weakening or blocking sorely needed progress in EU social, environmental and consumer protections. The European Commission must take action now to prevent Europe from drifting towards the levels of corporate control exercised over politics in the United States.

We welcome the decision to introduce a “Code of Conduct for Commissioners” (including a full declaration of financial interests) and designate Commissioner Neelie Kroes’ pledge to refrain from accepting business positions after her term as Competition Commissioner. These are steps in the right direction, but they are not sufficient. All European Commissioners and other Commission officials should be obliged to accept substantial and well-defined cooling-off periods. Such measures are needed to prevent ‘revolving door’ cases like that of former Trade Commissioner Brittan, who less than a year after leaving the European Commission became not only consultant on WTO issues at the law firm Herbert Smith, but also Vice-Chairman of the investment bank UBS Warburg and Advisory Director at Unilever. Soon after, he also accepted the Chairmanship of the LOTIS Committee of International Financial Services London (IFSL), a lobby group representing the UK financial industry. Such cases do nothing to enhance the reputation of the European Commission.

Thousands of lobbyists, assisted by an army of public affairs consultants, today play a powerful and increasingly undemocratic role in the EU political process. As a first step in addressing these problems, Europe needs far stricter ethics and transparency requirements. So far, the Commission’s response has been deeply inadequate; limited to referring to the extremely narrow and entirely voluntary code of conduct developed by the Society of European Public Affairs Practitioners (SEAP).

One of many examples illustrating the need for improved and enforceable ethics and transparency rules is the case of the Bromine Science and Environmental Forum (BSEF) which is lobbying against tighter health and environment regulations concerning toxic bromines. Considerable research efforts are needed to discover that the BSEF – a very active player in the EU decision-making process on bromine flame retardants – is nothing but an industry front group run from the Brussels offices of a global PR firm, on behalf of chemical industry clients. Without a radical improvement of the registration and reporting obligations for lobbyists working to influence the European institutions, there can be no effective democratic scrutiny of corporate influence over EU policy-making. Europe should learn from the lobbying disclosure legislation in place in the United States and Canada and oblige firms and organisations targeting the EU institutions (with a lobbying budget over a certain threshold) to submit regular reports giving details on the issues they are lobbying on, for which clients and with what budget. These lobbying disclosure reports should be fully accessible to the public in an online searchable database.

We also call upon the new European Commission to make a clean break with the undemocratic practices developed by your predecessors, for instance the incestuous relationship with the Trans-Atlantic Business Dialogue (TABD), co-founded in 1995 by Commissioner Leon Brittan. The TABD is a prime example of the inappropriate influence over EU trade and regulatory policies which previous European Commissions have granted large corporations.

We draw to your attention that the Prodi Commission in 2003 took the deeply undemocratic step to accelerate implementation of the TABD's demands by introducing a "Framework for Delivery" and establishing a "Horizontal Liaison Group" of high-level Commission officials at the service of the TABD. Questions on this topic were raised during the European Parliament's hearing with Peter Mandelson on October 4<sup>th</sup>, but the Commissioner-designate failed to reply. The European Services Forum (ESF) is another example of a corporate grouping awarded far-reaching and inordinate privileges by the European Commission. As EU policies should serve the public interest, not the narrow commercial agendas of large corporations, we urge you to strip these and other business lobby groups of their inappropriate privileges.

We look forward to your response to these proposals, which we believe are of the highest importance for improving the democratic credibility of the European Commission.

Yours sincerely,

**Erik Wesselius**  
**Corporate Europe Observatory (CEO)**

**Appendix:** [Updated list of signatories](#)