



Benchmarks for the EU lobbying transparency register

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The following recommendations and benchmarks have been developed by the Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU) to support the implementation of a meaningful EU lobbying transparency register. This paper focuses on the content and design of the register itself. Beyond that, we would like to stress the need for an independent monitoring of the register. In the medium term we believe that only a mandatory register with clear sanctions will provide adequate transparency. Please see also our „Recommendations on lobbying transparency and ethics in the European Union” of January 2006.

General rationale for the design of the register

The register should be designed in a way to address major problems related to lobbying in Brussels and to provide improvements on those issues. The future EU lobbying transparency register should contribute to:

- **Increasing overall transparency on EU lobbying:** European citizens, as well as journalists or decision-makers, should be able to see how much money is spent overall on lobbying in Brussels, with the option of breakdowns, e.g. per policy area, industry sector, specific legislative proposal or type of lobbying agent. The register should contain meaningful financial information and the public web interface to the register should allow for searches and aggregation of data.
- **Preventing misleading lobbying:** the register should allow to easily identify who funds specific lobby organisations or lobbyists. This is even more important for strategic alliances that are backed by different actors and for „front groups” (lobby organisations serving as a smoke screen for specific interests). This requires that the register contains relevant financial information and that the issue of intermediaries is addressed.
- **Identifying possible ‘conflicts of interest’ and ‘revolving doors’ issues:** To further the general objectives of the European Transparency Initiative, the register should provide the names of active lobbyists and of the clients they are working for. This would make it easier to identify at an early stage possible conflicts of interest or revolving doors cases.

Benchmarks for the success of the register

Overall the register will only be meaningful if it covers all or nearly all of the lobbyists working in Brussels. ALTER-EU always advocated a mandatory register. A voluntary system allows lobbyists to stay in the dark. Even a small number of non-registered lobbyists could be harmful for a transparent decision-making in Brussels if those non-registered lobbyist would specialize on the “dark arts” of lobbying.

From our perspective the benchmarks regarding the coverage of the register should be:

- **A high percentage of lobbyists signing on to the register.** Six months after introduction of the register, at least 50% of all EU lobbyists shall have registered. After one year, 95 percent of the lobbyists shall be registered. The estimates for the total number of lobbyists in Brussels vary from 15.000 to 20.000. That would mean that at least 14.000 lobbyists should have signed up within the first year. **If major known lobby players such as big law firms or important associations do not register, this would also mean a failure.**
- As this target figure is based on estimates, **the Commission should record real lobby activities to which it is exposed.** Thus, during the first year, the Commission shall log all contacts with lobbyists and record whether or not these lobbyists are, at the time of contact, registered. Within six months, at least 75% of all lobby contacts of the Commission shall be with registered lobbyists. After one year, in principle all lobby contacts of the Commission shall be with registered lobbyists.
- **The expulsion of obscure lobby campaigns and front groups.** The success of the register should not only be assessed by looking at coverage, but by investigating if obscure lobby campaigns or front groups remain active at the European level. Such monitoring will also prevent a small number of non-registered lobbyists to continue with manipulative and misleading lobby practices.

Specific recommendations for the content of the register

Above all the register needs to be accessible online and easily searchable.

Who should register

A) **Firms that provide lobbying services to clients**

This category includes lobbying consultancies, law firms that provide lobbying services and self-employed or free lance lobbying consultants.¹

B) **Organizations that engage in lobbying the EU institutions**

This category includes mainly corporate EU affairs offices, trade associations, professional associations, public interest organisations and think tanks.

Information to be provided

For all entities lobbying the EU institutions, the register must provide information on:

- the **issues** they are lobbying on (see below for more details)
- the **names of lobbyists** employed
- **annual income** with specified sources of income
- the **total budget spent** on lobbying activities, specified per lobbying issue.

For firms that provide lobbying services to clients, the register must provide information on:

- the **names of clients** they are lobbying for
- the **issues and budget specified per client**
- the **names of lobbyists** working for different clients.

If a lobbyist works for several employers (e.g. if they run their own consultancy but are also employed by a larger lobbying firm), the register should allow visitors to find all employers and all clients related to that lobbyist easily.

Client information

- The future EU lobbying register should allow citizens to see which clients a lobby firm is serving and what are the related budgets and lobbying issues. **Hiding behind intermediaries should be excluded.** In some cases a registrant is retained as part of a larger lobbying effort that encompasses more than one lobbying firm on behalf of a third party. If client X hires public affairs firm A which then retains public affairs firm B for a specific task or campaign, the public affairs firm B should also name client X.
- Corporations, business associations or any other interest groups that hire a public affairs firm in addition to their in house lobbying capacity, should **register both their in house lobbyists** as well as the **names of the hired public affairs firms**. When retaining a public affairs firm, both the name of the firm and the gross cost should be declared, but not the names of the specific lobbyists. Declaring the names of lobbyists would fall within the remit of the retained firm.

¹ Lobbying can be defined as activities carried out with the objective of influencing the policy formulation and decision-making processes of the European institutions. A lobbyist can be defined as a person designated by an interest group or interest to facilitate influencing public policy in that group or interest's favor by performing one or more of the following: (1) directly contacting public officials; (2) monitoring political and governmental activity; (3) advising on political strategies and tactics; (4) developing and orchestrating the group's lobbying effort. (Phil Harris and Craig S. Fleisher, *Handbook of Public Affairs*, London, 2005).

Financial information

The register should allow visitors to access meaningful information related to the budget for specific clients: how much did client A pay to lobby firm B for EU lobbying related to issue Y in year X.

- All financial data could be **rounded off to certain ranges**. However these ranges need to be fine enough to allow the identification of the main clients or contributors, e.g. to be able to identify the main actors in strategic alliances or to unmask possible front groups. If a company wants to start a lobby campaign and spend € 25.000 or € 50.000 on it and manages to enlist two other companies who symbolically support that campaign and contribute € 1.000 each, they shouldn't fall into one broad range. **We suggest a minimum threshold for registration of € 5,000 per six months and ranges of € 10,000.**
- All financial information should be **listed in Euro**.
- The financial information provided by various lobbying entities needs to be **comparable**. For lobbying firms, lobbying will represent most of the income generated, whereas for many other actors, such as public interest organisations, lobbying will constitute only a part of their expenses. It's therefore not useful if public interest organisations and think tanks are required to fill in their complete annual income (which includes many more activities more than only lobbying) whereas public affairs firms and associations only need to give their lobbying expenditures. Therefore, **we suggest that public interest organisations and think tanks list their whole income but also indicate the amount of money used for lobbying**. When aggregating or comparing financial information, only the lobbying expenses data should be used.
- In some cases lobbying firms are retained under a **contingent fee**. An agreement to make lobbying contacts for a contingent fee (above the threshold of € 5,000), should lead to an immediate registration. The gross amount of the fee only needs to be disclosed if and when it has been paid to the registrant.

Names and issues

- The register should be able to **list all lobbyists working for a specific lobby organisation**. Visitors of the register should also have the possibility to search for individual lobbyists and get information on which clients they are representing.
- The register should also allow to **search for all lobbyists that are lobbying on a particular topic** (for instance agricultural subsidies, chemical policy, etc). On the on line registration form, lobbyists could for example be asked to choose from a list offered in a drop down menu in order to indicate on which general issues they lobby for each of their clients. A more specific, short description of the issues (e.g. a specific piece of legislation) should be provided in a separate box.
- The register should be able to provide **aggregate data on the registered lobbyists** (like money spent for lobbying within certain time periods).

Regular updates

The register needs to be updated regularly. **We suggest that every lobby firm or lobby organisation is required to update their registration every six month (within 30 days after the end of the period)**. New lobbyists and lobby firm should register within 30 days after they started lobbying the European institutions.



The **Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU)**, brings together over 140 civil society groups, trade unions and public affairs firms from across the EU. We believe that transparency around EU lobbying is currently insufficient. ALTER-EU would like the EU to adopt effective measures that will allow for public scrutiny of EU decision-making.

For more information about ALTER-EU please visit our website: www.alter-eu.org