Brussels, 18 February 2010

To: Michel Barnier, European Commissioner for Internal Market and Services

Re: Meeting with ALTER-EU about the composition of corporate-dominated expert groups dealing with financial issues

Dear Commissioner Michel Barnier,

As European Commissioner for Internal Market and Services, your responsibilities include financial regulation. The Alliance for Lobbying Transparency and Ethics Regulation in the European Union (ALTER-EU) was very encouraged by your approval hearing in front of the Parliament on 14 January. ALTER-EU has been deeply involved in the debate on transparency for interest representatives that the European Transparency Initiative has opened up in the EU, regularly providing policy recommendations to the Commission and the Parliament, in an effort to represent civil society interests in this dialogue. We met with Commissioner Kallas on this topic several times and we established a good work relationship with the Commission.

We welcome your declaration during the hearing in favour of further regulation and monitoring, as well as your determination to “Draw a line under the era of irresponsibility and put transparency, responsibility, and morality back into the heart of the financial system”.

In particular, when asked by MEP Sven Giegold about your intention to ensure balanced representation within the expert groups, you acknowledged the need to start a discussion on the composition of some committees, and you made a strong case for “the most independent and qualitative monitoring studies and expertise” - a declaration that we perceive as a sign of openness to reviewing the existing rules towards greater transparency and wider representation.

In November 2009, our coalition published the report ‘A Captive Commission: the role of financial industry in shaping EU regulation’. This study highlighted the one-sided composition of eight expert groups in favour of the (financial) business sector (i.e. single companies and trade associations).

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1 The Alliance for Lobbying Transparency and Ethics Regulation (ALTER-EU) is a coalition of over 160 public interest groups, trade unions, academics and public affairs firms concerned with the increasing influence exerted by corporate lobbyists on the political agenda in Europe, the resulting loss of democracy in EU decision-making and the postponement, weakening, or blockage even, of urgently needed progress on social, environmental and consumer-protection reforms. www.alter-eu.org
The groups are the following:

3. EU Clearing and Settlement: Fiscal Compliance group (9 industry, 3 government, 1 academic, and 1 private expert representatives) - http://ec.europa.eu/transparency/regexpert/detail.cfm?ref=1445
4. EU Clearing and Settlement: Legal Certainty group (22 industry, 6 government, 7 academic, and 1 private expert representatives) - http://ec.europa.eu/transparency/regexpert/detail.cfm?ref=1444
7. Payment Systems Market Expert Group (43 industry, 2 government, 1 academic, 1 trade union, and 3 NGO representatives) - http://ec.europa.eu/transparency/regexpert/detail.cfm?ref=2287

In the meantime, another unbalanced group has been created:

In our view, these nine corporate-dominated expert groups do not respect the Commission ‘Principles and Guidelines on the Collection and Use of Expertise’ or the ‘General Principles and Minimum Standards for Consultation of Interested Parties’. We believe that dissolving or radically changing the membership of these groups by including more consumers and other civil society organisations, trade unions and independent academics would significantly contribute to solving the problem you described during your hearing.

We would like to meet with you so as to discuss the points mentioned here above as well as the concrete steps you intend to take to guarantee a balanced representation, especially in the bodies that fall under your Directorate General’s responsibility.

We are looking forward to your answer,

Yours sincerely,

On behalf of the steering committee of ALTER-EU,

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ESME Group has been removed from the Register of Expert Groups. However the minutes of its last meeting clearly state that it is to be consulted on issues reaching far out into the future. It should be clarified whether this group has been dissolved or not and if not then it should be re-included in the Register. - http://ec.europa.eu/internal_market/securities/docs/esme/agenda_20091210_en.pdf