



ALTER-EU recommendations for Transparency Register review: Lobby disclosure requirements

ALTER-EU's June 2013 report "Rescue the Register! How to make EU lobby transparency credible and reliable" contains detailed recommendations for the review of the Transparency Register, including on the question which data lobbyists should provide.¹ The report shows clearly that the current register does not provide a comprehensive and reliable picture of who is lobbying, with what budgets, on which issues and on whose behalf. Part of the solution to this is upgraded disclosure requirements and stronger enforcement, including the following reforms:

Financial disclosure requirements: Instead of the current system of hugely diverging bandwidths, consultancies and law firms should have to **declare clients' expenditure in bandwidths of €10,000.**

Transparency on funding sources: All registrants (including industry lobby groups, thinktanks and NGOs) should be asked to **name all government agencies, grant-making foundations, companies and others that contribute to their budget**, and **specify the amount** they receive from each of these. Small private donations from individuals (up to a certain threshold) should be exempt.

Names of lobbyists and revolving door listings: Registrants should be required to **list the names of all their lobbyists** (not simply those with parliamentary access badges) in the register, as well as **any former public offices that these lobbyists have held** (including at the national level). This is to enable public scrutiny of the revolving door, whereby public officials become private sector lobbyists, and vice versa, creating a high risk of conflicts of interest.

Issues lobbied on: Organisations should be required to **provide precise information on the main legislative proposals** they are lobbying on, including a list of official legislative references. Leaving this field blank or providing a very general description, as is currently often the case, should not be allowed. To enable this, a more **user-friendly model for disclosing issues lobbied on** should be introduced, for example, a drop-down list of legislative dossiers. Furthermore, **consultancies and law firms** should be obliged to provide a list of the **main legislative proposals on which they have been lobbying, for each of their clients.**

Securing up-to-date information: The financial information in the Transparency Register is often seriously outdated, referring to the situation several years ago. The register secretariat should **actively check entry updates and ensure that the financial information is up-to-date.** As a starting point, lobby expenses should refer to the most recent calendar year. The review of the register should instate a requirement for **all registrations to be updated twice a year, on fixed and pre-determined dates**, in order to improve transparency and compliance. There should furthermore be a specific requirement for **lobby consultancies and law firms**

¹ http://www.alter-eu.org/sites/default/files/documents/Rescue_the_Register_report_25June2013.pdf

to twice a year provide an up-to-date list of clients from the previous six month period. New clients should also be declared within a one month period after the start of the contract.

Lobby firms' clients:

The entries of many lobby consultancies contain incomplete client lists, which means that their work for some clients remains hidden from public scrutiny. Many other consultancies continue to list client names as abbreviations that are unrecognisable (or ambiguous) to the general public. ALTER-EU suggests a more ambitious approach with **regular checks on registrations and enforcement** to prevent these problems. **Consultancies and law firms should be suspended from the register and their Parliamentary passes withdrawn if they fail to disclose clients.**

We would like to express our concern about the suggestion made in the register's 2012 annual report to create "*an ad-hoc, derogative and exceptional formula for category I [law firms and lobby consultancies] entities claiming a need for client confidentiality.*" When providing interest representation – or lobbying - services, as defined by the European Commission and European Parliament, law firms should be subject to the same transparency requirements as any other kind of actor involved in lobbying.

Obliging registrants to disclose lobby consultancies and law firms assisting their lobbying:

One of the fundamental problems with the Transparency Register is the large number of lobby consultancies and law firms (offering lobbying services) that fail to sign up (due to the voluntary nature of the register). ALTER-EU recommends including the **obligation for registrants to report which lobby consultancies and law firms have assisted them in their lobbying** ('lobbying' as the activities that fall under the definition of the Transparency Register). This would be a positive step towards improving transparency around the role of unregistered consultancies and law firms.

Tackling the problem of under-reporting the number of lobbyists: To get a realistic picture of their lobbying activities, registered organisations should be asked to **disclose the total number of persons involved in lobbying, including their names, as well as a calculation of total full-time equivalents for that organisation** (given that some employees may be engaged in interest representation activities for only some of their time). In whatever way the calculation guidelines are clarified however, it is vital that the register secretariat **enforce them uniformly** (i.e. that they do not allow different calculations to be used, in combination with an explanation from the registrant), or else the data will be neither consistent nor comparable.

More comprehensive and effective data checking:

In addition to the above-mentioned recommendations for disclosure and upgraded guidelines on disclosure requirements, it is vital that more **comprehensive and effective data checking** is enabled, including **systematic checking of all new entries.**

Better public scrutiny: Changes in registrations should be documented with a **flagging system**, enabling proper monitoring to happen and allowing for the public to make comparisons both between organisations and over time.

Pro-active transparency: In addition to an improved Transparency Register where lobbyists register and report, the European Commission should provide comprehensive **information online about all meetings and contacts between Commission officials and lobbyists.**