Cut out conflicts of interest

Barring any final glitches, leaders of the European Parliament's political groups will today (7 July) approve a new code of conduct for MEPs, as you indicated two weeks ago (“Concern over revised code of conduct,” 23–29 June). This code has been negotiated by ten MEPs, led by the Parliament’s president, Jerzy Buzek, and the process has been complicated, not least because party politics have played a clear role.

The new code makes progress in several areas: MEPs will no longer be able to accept expensive gifts, they will have to make more detailed financial declarations (a surprisingly tense area of negotiations), and ex-MEPs will be banned from using their privileged access to the Parliament for lobbying purposes.

Crucially, MEPs are banned from receiving financial benefit for influencing or voting on legislation and MEPs are also asked to resolve conflicts of interest. But as ever with such matters, the devil will be in the detail of implementation.

A robust interpretation would surely imply a ban on second jobs that involve lobbying and those that involve representing the interests of others, such as acting as a lawyer or corporate board member.

Indeed, a recent research by Corporate Europe Observatory shows that perhaps as many as one in seven MEPs have jobs that provoke conflicts of interest with their work as an MEP.

However, it remains to be seen whether future presidents of the Parliament and the new MEP advisory committee – with whom enforcement of the new code will rest – will be prepared to get tough on fellow MEPs who fail to comply with the spirit and letter of the new rules.

Overall, the code of conduct is an important step forward for transparency and ethics regulation, although it falls a long way behind the tougher rules that govern Congressmen in the US, for example.

In the autumn, there will be a further opportunity to introduce a clear ban on conflicts of interest when the members’ statute is reformed to enshrine elements of the code in EU law. That could be the opportunity to introduce other long-overdue reforms, such as a cooling-off period for former MEPs wanting to move into the “dual-regulation” rules for unregulated MEP-industry cross-party groups.

Maybe then the European parliament will have put a stop to conflicts of interest once and for all.

Vicky Cann
Corporate Europe Observatory
Brussels

Counterfeit packaging claims lack credibility

In your 16–22 June edition, you reported – as your headline put it – tobacco-industry claims that “Blanking out cigarette packaging ‘will lead to more counterfeiting’.” There is, however, no evidence that plain packaging will have any impact on counterfeiting. Plain cigarette packets will always have large pictorial health warnings and such packets will therefore be as difficult to counterfeit as any other pack. The illicit cigarette trade is driven by macro-economic factors such as the presence of supply routes and distribution networks, the stringency of customs regulation, and international co-operation, rather than micro-level factors such as pack design.

A recent article in the European Journal of Public Health showed that young illicit cigarette buyers in Scotland made their choice on the basis of the (reduced) price and the availability, not the package. When asked if their illicit tobacco purchasing behaviour would change if all cigarettes came in the same plain pack, the consensus among youngsters was that it would not.

Other research shows that plain packaging are less attractive to young smokers. In short, therefore, plain packaging would not fundamentally change anything in relation to illicit trade, while simultaneously protecting young people from the industry’s latest efforts to market its products.

This is yet another reminder that the tobacco industry uses arguments it knows to be spurious in its efforts to prevent regulation, and should not be believed. An industry that has been so heavily involved in cigarette smuggling has no credibility in these debates.

Luk Joossens
Association of European Cancer Leagues
Brussels

Freight transport must clean up its act

I welcome the focus in your special report on energy efficiency on the critical challenge of improving efficiency in the transport sector (“Cleaning up transport,” 30 June–6 July).

You rightly indicated that the transport sector accounts for 32% of all final energy consumption in the EU and relies on oil for most of its energy needs (up to 90%). You also indicated that the European Commission is actively looking at how heavy-goods vehicles can save energy.

Unfortunately road freight transport is one of the few sectors in Europe whose emissions of carbon dioxide continue to increase. Based on my experience of the haulage industry, this will continue to be the case if technological advancement remains the main focus for tackling this pressing problem.

Trucks are driven in a manner that leads to fuel consumption being 15%–20% higher than necessary, despite the efforts of industry and other technological advances. It is baffling that road freight transport industry cannot continue to operate with this kind of inefficiency while other sectors are chasing 0.2%’s wastage levels in their processes. After all, truck drivers are a core business process in road-freight transport, operated by one key player.

Sadly, my company’s as yet unpublished study of 1,112 road haulage and third-party logistics companies from 17 European countries suggests this is not currently the case – only 8% of companies interviewed regard fuel savings as a priority. There are a few underlying reasons for this, which largely relate to the ‘historical’ characteristics of the haulage market. The high wastage levels found in road-freight transport are due to current business models, not technology. This situation can easily be corrected without the need for investment in new technology, by demanding that transport providers prioritise process-related fuel savings. As such, this problem is in fact an opportunity: all that is required is for transport buyers to realise that they own the fuel cost, and assume greater responsibility for this fuel inefficiency. It is for them to demand that transport providers report on their drivers’ fuel efficiency by asking this question: “How is your current fuel consumption and what is the difference between that and a standard, good-practice driver performance?”

By asking this simple question, demand for driver fuel efficiency would be created and energy savings of 15%–20% would be obtainable.

Sten Forskär
Founder, Greater Than Stockholm