



*"In the end it is the ethical behaviour of every individual that is the utmost shield against any kind of corruption"*

*Maroš Šefčovič*

# Open for business

**Maroš Šefčovič** tells **Martha Moss** how the new transparency register will improve the credibility of the EU decision making process

**T**he joint transparency register will be instrumental in moving towards a more open method of EU decision making – but should not be seen as a “silver bullet” when it comes to tackling corruption. That is the view of European commission vice-president for inter-institutional relations and administration Maroš Šefčovič, who launched the joint commission and parliament register in Brussels last week. Speaking to the Parliament Magazine ahead of the launch, the Slovak commissioner said the new register came as part of a “transparency drive” from the EU institutions. It would, he said, build on the commission’s previous lobby register, providing “a better service to the public” characterised by greater transparency, accessibility, and more detailed information on registrants.

It replaces the commission’s former lobby register, which opened in 2008 and now lists more than 4000 organisations. The new register also seeks to extend its remit beyond industry to NGOs, research institutes, law firms and any other organisations aimed at influencing policy. This, according to Šefčovič, is crucial because it suggests that “we go much further than any other system because we are covering everybody who wants to participate in the policy debate in the EU”. “For me, the major preoccupation was to enlarge the scope as much as possible,” he said. The commissioner also hopes the new register will help dispel the negative perception of the EU as a hotbed of corruption, an image which has not been helped by scandals involving ex-commissioners, or the recent furore in the European parliament when three MEPs were caught by an undercover newspaper reporter accepting money to table amendments to draft EU legislation.

Highlighting the importance of the register in boosting EU credibility, Šefčovič said, “You very often come across information suggesting that this [Brussels] is some kind of paradise for lobbyists, that there are 15,000 lobbyists who have this



Maroš Šefčovič has insisted that the code of conduct for former commissioners is one of the “strictest and most comprehensive conducts of behaviour for any public official in the world”. The European commission vice-president for inter-institutional relations and administration told the Parliament Magazine that the recently revised code is “part and parcel of the [EU] drive for increased transparency”. The new code extends from 12 to 18 months the ‘cooling-off’ period during which a commissioner must notify the commission of a new job after leaving office. It also contains strengthened rules on staffing, hospitality and political activities, while a conflict of interest clause means that a former commissioner cannot lobby former subordinates in the year-and-a-half after leaving office. “We tried to improve quality and increase the ethical and behavioural standards of the commissioners,” said Šefčovič. He highlights the “quite severe” punishments for ex-commissioners failing to respect the code, including the withdrawal of their pension rights. “We [European commissioners] have a duty to behave with dignity and discretion until the last of our days,” he said. Campaigners are calling for a three-year cooling off period, and argue that 18 months is too short to prevent conflicts of interest. However, Šefčovič insists that 18 months is sufficient and warns that it would be “quite deterring” for a commissioner to be faced with limited options for three years after leaving office. *MM*

dark influence upon what we do. You have to convince your audience and the public that this is not the case.” The new register will seek to guide the behaviour of lobbyists through the compulsory code of conduct, which requires registrants to declare their interests and act honestly. They will also be asked to disclose the number of lobbyists they employ, and the amount of money they receive from the EU. However, a report published by transparency campaigners Alter-EU found that millions of euros of lobby spending are missing from declarations made by leading industry groups (see textbox p.24). Alter-EU is calling on the commission and parliament to “give a clear message that under-reporting is not acceptable” and could detract from the credibility of the register. Asked about what the commission would do to this end, Šefčovič said there would be random checks and a concrete complaints procedure in place. “If any discrepancy is found we will be informing this company, asking for an explanation and demanding a cor-

rection,” he said. Failure to correct behaviour could result in sanctions and the suspension or even expulsion of the company from the register which, the commissioner said, “would have very high reputational damages”. “We are very serious about verifying all financial disclosures. This is very important for the credibility of the register.”

While the commissioner is optimistic that the register will set the groundwork for greater scrutiny, he insists that it is ultimately the responsibility of policymakers to set ethical standards and tackle corruption. “We cannot expect the transparency register to be a silver bullet to fight corruption, because in the end it boils down to the individual behaviour of every legislator,” said Šefčovič. “It would minimise the ground for corruption, because it would lead to much more disciplined behaviour from everybody that takes part in the political debate – be it activists, company representatives and the representatives of the legislator. Everybody would be under much more scrutiny, everybody



*The launch of the joint transparency register marks an important milestone for increased openness in the EU, as Diana Wallis tells Martha Moss*

European parliament vice-president for transparency Diana Wallis believes that the recently launched joint transparency register will do much to improve the perception of the EU in the public eye. The British ALDE deputy says that the new system, which brings the two institutions together and includes a code of conduct, will do much to increase the scope of registrants. “It gives us a way of dealing with interest representatives on the European scene, which I believe is actually far in advance of most other systems in member states,” she told the Parliament Magazine. “All interest groups – commercial lobbyists, NGOs, academics, lawyers – are on there. The main thing is to increase public confidence in the European policymaking and lawmaking process so that they can see who is involved.”

Wallis adds that the register will help tackle corruption, such as that seen with the recent ‘cash-for-laws’ scandal, when three MEPs were caught by an undercover reporter tabling amendments to draft legislation. “I think transparency is the best guard against corruption because you can see who is talking to us, who is influencing policy, and what they’re spending on it.” However, she insists that lobbyists and interested parties usually have high ethical standards and most follow an internal code of conduct, or will be party to the new one. “These journalists were not professional lobbyists,” said Wallis, who also sits on parliament’s working group on codes of conduct for MEPs which was set up by Jerzy Buzek in the wake of the scandal. “Most who are active on the Brussels scene behave in a totally responsible manner. We need their input to complement and help our work. It’s wrong that lobbying should always be seen as some nefarious or nasty practice – it’s part of political life and those journalists were not true lobbyists. Of course the activities of the three members that responded cannot in any way be condoned, but it has to be put in context.”

While Wallis acknowledges there is still some way to go, she says that the register is “a hugely important step in the right direction” and welcomes news that the council is expected to sign up as well. It will, she argues, will help dispel the impression that laws coming out of the EU are too often made behind closed doors. “There is sometimes a perception in public opinion that Brussels is something happening between an elite political class and lobbyists or other interested parties, which somehow or other the public is entirely excluded from,” she said. “I think this [new register] helps the public see what is happening and who is participating.



Transparency campaigners have claimed that millions of euros of lobby spending are missing from declarations on the joint register. Research by the Alliance for Lobbying Transparency and Ethics Regulation (Alter-EU) into declarations by the 40 biggest industry groups found widespread under-reporting from organisations including Fertilisers Europe, BusinessEurope and the European Aluminium Association. Olivier Hoedeman, of Alter-EU, said, "In lobbying size really does matter, but some of the largest lobby groups in Brussels are declaring what are ludicrously small sums, considering their staffing levels and their own claims of importance on their websites. These groups are very active on the Brussels scene yet millions of euros spent on lobbying remain out of sight for the public." He added, "Fertilisers Europe has a staff of at least nine people and claims a total annual budget of €4m per year but say they spent only €400 in 2010 on lobbying. Meanwhile the Association of European Airlines has at least 22 staff and says it represents 36 carriers with a combined annual turnover of 82 billion euros, yet its 2009 declaration states an annual lobby expenditure of less than €50,000. We suspect that these declarations, and others like them, represent under-reporting of the real expenditure dedicated to lobbying the EU institutions." *MM*



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would have to adhere to higher principles and be much more in the public eye. I hope this will help, but in the end it is the ethical behaviour of every individual that is the utmost shield against any kind of corruption."

Parliament vice-president for transparency Diana Wallis agrees that the new register will add clarity to existing regulations. She said, "I hope that we will help to instil a more solid culture of transparency in Brussels. Up until now, there may have been some confusion. Now there can be none: one register, one place to sign up. And for all those who want to take part in the EU policy-making process, this register will also demonstrate that our institutions are working together." Wallis welcomed the announcement from the council of ministers

that it would take part in the register, saying, "Together we are taking a strong step in the right direction." Šeřčovič also said it was "very important for the public to see that the three key EU institutions are moving at the same pace, and have exactly the same approach to the importance of transparency".

There has been some concern raised over the voluntary nature of the register, with critics warning of a "softly-softly" approach towards lobbying transparency, and some calling for a mandatory system. Jana Mittermaier, the head of Transparency International's Brussels office, welcomed the register "as another step in the right direction", but added, "It will only be effective if it is used properly and in the spirit of the code of conduct that accompanies it. The new register will be a test of the commit-



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The European parliament is being urged to develop a “robust” code of conduct for MEPs to help tackle corruption. Transparency International and the Alliance for Lobbying Transparency and Ethics (Alter-EU) made the demands ahead of the second meeting of parliament’s working group on codes of conduct for MEPs last week. The group, established by parliament president Jerzy Buzek last month in the wake of the ‘cash-for laws’ scandal, brings together members from all political groups. Alter-EU campaigner Vicky Cann said there had been “a bit of soul searching going on” since the allegations against the MEPs were made in March. However, she raised concerns that “as the scandal diminishes, the momentum to deal with conflict of interest and corruption is lost”. “I think that the working group has a unique opportunity to produce a strong and robust code of conduct for MEPs,” said Cann. Alter-EU wants to see several key issues addressed by the code, including a ban on MEPs holding paid second jobs which could result in a conflict of interest and an 18-month ‘cooling off period’ during which MEPs cannot take up lobbying work. The organisation is also calling for an ethics committee - including external experts and civil society - to be set up, and for MEPs to be subject to mandatory financial declarations including income, property and shares. Jana Mittermaier, the head of the Transparency International liaison office to the EU, warned that the code of conduct “is at risk of being watered down”. “Internal political pressure really presents a great risk for the progress towards a robust code of conduct,” she said. *MM*

ment of all parties involved in lobbying to greater openness.” Šefčovič is keen to point out the benefits to those firms that do sign up, with Šefčovič saying, “I believe it will be good for the image of those registered – it will be much better for their reputation, and will show that the European institutions are very serious about how transparently they would like to conduct their behaviour and do their job.” The commission also has something to gain from consulting specialists on technical pieces of legislation, he said, adding that as stakeholder involvement increases, the transparent nature of communications becomes more important than ever. Asked if the commission would consider moving towards a mandatory model, Šefčovič said that even though the joint register is voluntary “in a legislative sense”,

it is “de facto mandatory” because registration is necessary in order to receive an access pass to the European parliament and to engage in any serious discussion with the institutions.

The commissioner is also optimistic “that every relevant player will be registered” under the voluntary system, and points out that it will be reviewed in two years with the possibility of making it mandatory if necessary. Šefčovič also insists that the commission and parliament see “eye-to-eye” on the remit and structure of the register. “Parliament said that the long-term aim should be to use the two-year review to reassess the situation, but the commission and parliament were absolutely of one mind: the perfect should not be the enemy of the good, and we both wanted something in place as soon as possible,” he said. ★