

## Submission by Corporate Europe Observatory to the European Ombudsman Consultation on the composition of Commission expert groups, 28 August 2014

### 1. Which specific Commission Expert Groups do you consider to lack a balanced representation of relevant areas of expertise and interest in their membership?

Corporate Europe Observatory would like to highlight the following Expert Groups as having more than 50% of non-governmental and non-EU seats representing corporate interests. These groups don't meet the condition set by the Parliament when it lifted the budget freeze in September 2012: "Prohibit a single interest category from having the majority of the non-government and non- EU seats in any Expert Group."

Most of the examples in the table below are taken from the November 2013 ALTER-EU report "*A Year of Broken Promises*", which focuses on groups created between September 2012 and September 2013.<sup>1</sup> Data have been checked and updated in June 2014.

DG		Group name	Members	Composition of interests / Reason lacks balanced representation
AGRI	<a href="#">E02834</a>	Expert Group on agricultural commodity derivatives and spot markets	16	94% corporate interests; 6% farmers – no civil society interest with knowledge on food speculation
ENTR	<a href="#">E02849</a>	High Level Group on Business Services	19	74% corporate interests; 11% academia; 5% NGO; 5% SME; 5% trade union
ENTR	<a href="#">E02890</a>	CARS 2020 Expert Group (& 4 subgroups)	80 (16x5)	63% corporate interests (ALTER-EU classified the International Motorcycling Federation as corporate due to its funding and corporate events); 25% NGO; 13% Trade Union
ENTR	<a href="#">E02841</a>	KETs High Level Commission Expert Group (& subgroup)	64	59% corporate interests; 25% Hybrid; 9% Academia; 3% SME; 3% Trade Union.
ENTR	<a href="#">E02886</a>	Expert Group for Bio-based Products	26	58% corporate interests; 19% academia; 19% Hybrid; 4% NGO
SANCO	<a href="#">E02896</a>	European Unique Device Identification (UDI) Commission Expert Group	17	53% corporate interests; 24% professional association; 6% Hybrid; 6% NGO
HOME	<a href="#">E02933</a>	Data Retention Experts Group	7	100% corporate interests
JUST	<a href="#">E02903</a>	Commission Expert Group on a European Insurance Contract Law	20	55% corporate interests; 20% academia; 5% hybrid; 5% NGO; 5% other; 5% professional association; 5% SME
RTD	<a href="#">E02915</a>	Expert group for the evaluation of the overall performance of the European Innovation Partnership (EIP) concept and approach	5	80% corporate interests; 20% other
RTD	<a href="#">E02863</a>	Expert Group on Intellectual Property Valuation	10	80% corporate interests; 20% academia
RTD	<a href="#">E02864</a>	Expert Group on Retail Sector Innovation	11	64% corporate interests; 36% academia
RTD	<a href="#">E02862</a>	Expert Group on Open Innovation and Knowledge Transfer	12	58% corporate interests; 25% academia; 17% hybrid
SG	<a href="#">E02935</a>	Expert Group on a Debt Redemption Fund and Eurobills	10	70% corporate interests; 20% academia; 10% hybrid

<sup>1</sup> For a full explanation of the categories of interests, please see ALTER-EU, November 2013, *A Year of Broken Promises* [http://www.alter-eu.org/sites/default/files/documents/Broken\\_Promises\\_web.pdf](http://www.alter-eu.org/sites/default/files/documents/Broken_Promises_web.pdf)

SG	<a href="#">E02149</a>	High Level Group on Administrative Burdens <sup>2</sup>	15	60% corporate interests; 20% NGO; 13% SME; 7% trade union
TAXUD	<a href="#">E02813</a>	VAT Expert Group	42	86% corporate interests; 5% NGO; 5% professional association; 2% academia; 2% SME
TAXUD	<a href="#">E02845</a>	EU VAT forum	15	80% corporate interests; 13% professional association; SME
TAXUD	<a href="#">E02897</a>	Platform for Tax Good Governance, Aggressive Tax Planning and Double Taxation	15	60% corporate interests; 27% NGO; 7% academia; 7% trade union

### 1.a Other groups created since September 2012 (n.b. in no way exhaustive)

DG		Group name	Members	Composition of interests / Reason lacks balanced representation
CNECT	<a href="#">E02997</a>	High Level Group on the Future use of the UHF band	20	70% corporate interests; 20% public sector; 5% NGO
CNECT	<a href="#">E02927</a>	Community of Practice for Better Self- and Co- Regulation	50	68% corporate interests; 16% hybrid; 8% academia; 6% NGO; 2% other
ENTR	<a href="#">E02998</a>	Strategic Policy Forum on Digital Entrepreneurship	31 (OECD = gov't)	70% corporate interests; 13% academia; 7% SME; 3% hybrid; 3% NGO; 3% trade union
MARKT	<a href="#">E02970</a>	High Level Group on Retail Competitiveness	20	85% corporate interests; 5% academia; 5% NGO; 5% trade union
MARKT	<a href="#">E02849</a>	High Level Group on Business Services	19	69% corporate; 16% academia; 5% NGO; 5% SME; 5% trade union
MARKT	<a href="#">E03081</a>	Expert Group on the Review of the IAS Regulation	10 (excl. gov't)	90% corporate interests; 10% SME

### 1.b Do you have any extra examples where the Commission is creating groups that are not in the register?

DG ENTR also formed an 'informal' Working Group for Technical Advice, parallel to the existing Working Group for Non Road Mobile Machinery (Emission from non road mobile machinery engines) ([E01346](#)). The informal working group's mandate was "advising the commission in drafting the new legislative proposal". This new informal group was completely industry dominated and undercut the ongoing work of the existing Expert Groups. When civil society groups complained, DG ENTR closed the group and claimed it was never an Expert Group.

### 1.c What, according to you, is the root cause of the unbalanced composition of the Commission Expert Groups identified by you?

#### Institutional culture

Although in the past few years some DGs have made efforts to improve the balance of their Expert Groups, large parts of the Commission, including the Secretariat General, don't see corporate dominance in Expert Groups as a major issue. As a result many politically and economically sensitive groups are still dominated by big business interests (eg the examples listed above). The rules on Expert Groups were reviewed in 2010<sup>3</sup>, but with very little change. Since then, despite

<sup>2</sup> The Commission has since altered this group. Please see letters from the Secretariat General to the European Parliament regarding the new composition

<sup>3</sup> ALTER-EU, 10 January 2011, New Rules on Expert Groups fail to prevent capture by business lobbies - setback for transparency

strong demands from the European Parliament, the Commission refrained from introducing new rules to tackle the problem of unbalanced Expert Groups. It is difficult to generalise too widely, as different DGs have taken different approaches, but the Secretariat General – which oversees all Expert Groups – has refused to see the domination of groups by corporate interests as a problem. On the positive side, DG ENTR has agreed in principle to follow the European Parliament’s recommendations of no single stakeholder having a majority of seats, and has told civil society that it is committed to restrict corporate interests in its Expert Groups to no more than 50% of seats. But in practice this goal is not being met – either in new groups or existing ones.

There is insufficient transparency regarding which interests Expert Groups’ members represent (see answer to question 3). This allows the Commission to continue creating groups that give undue influence to corporate interests, as it makes it difficult for citizens to see the bias towards big business interests.

#### Lack of internal expertise/capacity

The lack of sufficient internal technical expertise is a strong incentive for the European Commission to call upon corporate interests for so-called ‘technical’ advice. The problem is that this technical expertise is not necessarily ‘neutral’, especially when it comes from a big company with vested interests.

#### Disparity in resources and capacity

Our research has shown that experts linked to corporate interests dominate the Commission’s Expert Groups.

Corporations, trade associations and transversal business lobbies have the resources to ensure active participation of company staff in Expert Groups. For civil society organisations, with often limited staff capacity and resources, taking part in Expert Groups is an opportunity cost which can sometimes be difficult to justify to funders or members.

Given this situation, as long as the Commission does not actively pursue a balanced representation of corporate and other interests in its Expert Groups, the bias towards big business interests will continue.

Moreover, the number of civil society groups with the requested type of EU-level knowledge is limited. For example, consumer organisation BEUC is expected to represent consumers in most Expert Groups, yet it has not enough staff to meet these expectations. Input from national consumers organisations into Expert Groups would be very valuable (and it does happen) but the constraints there are even greater, given the perceived distance between Brussels and national level activities and the pressure to focus on work that is directly relevant in the national context.

The often-technical nature of the groups requires high degrees of specialisation in very niche topics, making it even less likely that a high number of non-corporate groups will have the necessary expertise, capacity and resources to take part.

**2. The Commission’s horizontal rules on Expert Groups allow for the Commission to appoint individual experts in their personal capacity. In your experience, does this possibility give rise to concern in terms of the balanced composition of Expert Groups and/or conflicts of interest?**

#### Balanced Composition

As the Commission considers experts in a ‘personal capacity’ to be independent and not

representing an interest, the Commission excludes those experts when assessing balance in the composition of Expert Groups. This would be less problematic if the individuals were indeed independent experts or academics without corporate ties. Unfortunately the label ‘personal capacity’ (PC) has often been used for individuals who represent an interest (RoI, i.e. lobbyists), thereby skewing composition.

See for example the following groups:

Most examples are taken from the November 2013 ALTER-EU report “*A Year of Broken Promises*” which focuses on groups created between September 2012 and September 2013,<sup>4</sup> with additions from supplementary research. The figures were to our best knowledge correct at time of researching the report, and any changes since September 2013 are not included (e.g. the Stoiber Group was updated between September and November 2013).

<b>DG</b>	<b>Group Name</b>	<b>RoI/ PC<sup>5</sup></b>	<b>Names and reasons</b>
AGRI	High Level Steering Board for the European Innovation Partnership	2/10	Prof Wim Saris (also in subgroup) is an academic but also works as a corporate scientist for DSM Food Specialities <a href="http://www.dsm.com/le/static/onderwijs/downloads/Deeltijdhoogleraren-engels.pdf">http://www.dsm.com/le/static/onderwijs/downloads/Deeltijdhoogleraren-engels.pdf</a>
BEPA	Science and Technology Advisory Council	7/15	<p>ATKISSON Alan, President and CEO of “AtKisson Group”, a consultancy with numerous corporate (and public sector) clients;</p> <p>BECALLI-FALCO Ferdinando, President and Chief Executive Officer (CEO) of GE Europe and CEO GE Germany. Senior Vice President of GE and member of the Corporate Executive Council of the Company;</p> <p>GASSER Susan, Director of the Friedrich Miescher Institute for Biomedical Research, which is affiliated and works closely with Novartis; she is on the Nestle Nutrition Council</p> <p>MOLIN Soren, Professor of Biosustainability at the Danish Technical University Copenhagen and Director of the Novo Nordisk Centre for Biosustainability, a hybrid organisation - “translational research in a company management structure format. The latter implies a management team and operation of the Core as a unit that can effectively interact with commercial concerns and spinout new companies”;</p> <p>QUINTANILHA Alexandre Tiedtke, Professor of biophysics at the Biomedical Faculty, researcher at the Institute of Molecular and Cell Biology and the Institute of Biomedical Engineering in Oporto, a state-funded but commercially-focused organisation (labelled ‘hybrid’);</p> <p>SANDRA Pat, Emeritus Professor at Ghent University. Founder and President of the Research Institute for Chromatography, a private industry company <a href="http://www.linkedin.com/company/r.i.c.-bvba?trk=prof-following-company-logo">http://www.linkedin.com/company/r.i.c.-bvba?trk=prof-following-company-logo</a></p> <p>SESSOLI Roberta, Associate professor of chemistry at University of Florence, who since 2007 has been Coordinator of an Industrial Collaboration with Eni S.p.A. on ‘Magnetometry for the characterization of Co/Al<sub>2</sub>O<sub>3</sub> catalyst for Fisher Tropsch synthesis’</p>
CNECT	Young Advisors Expert Group on	20/25	Individuals represent SME, NGO, cooperative, hybrid and corporate interests and should be labelled as such.

4 For a full explanation of the categories of interests, please see *A Year of Broken Promises* [http://www.alter-eu.org/sites/default/files/documents/Broken\\_Promises\\_web.pdf](http://www.alter-eu.org/sites/default/files/documents/Broken_Promises_web.pdf)

5 Members appointed in their personal capacity when in fact they should be a ‘Representative of an Interest’ compared to total number of members appointed in their Personal Capacity: RoI/PC

	implementation of the Digital Agenda for Europe		
CNECT	Community of Practice for Better Self- and Co- Regulation	10/15 (excl gov)	<p>Andrew Dakers, Director of Spark! A partnership between business and education; Director of Sensonido; freelance consultant;</p> <p>Angela Mills-Wade, Executive Director of the European Publishers Council, a high level lobby group of Chairmen and Chief Executives of major European media corporations whose business interests include newspapers, magazines, journals, books, database and internet publishing ( <a href="http://epceurope.eu/">http://epceurope.eu/</a>);</p> <p>Diana El Azar, Senior Director, Head of Media, Entertainment and Information Industries, World Economic Forum;</p> <p>Didier Huck, Responsible for Public Affairs and Sustainable Development, Technicolor;</p> <p>Dominic Lyle, Director-General of the European Association of Communications Agencies (EACA), a Brussels lobby group;</p> <p>Giulia Bubbolini, General Project Manager &amp; International Relations CISE, the innovation agency of the Forli-Cesena Chamber of Commerce;</p> <p>Martijn Scheltema, Chair of Enforcement Issues in Private Law at Erasmus School of Law but also Partner of law firm Pels Rijcken &amp; Droogleever Fortuijn;</p> <p>Monique Goyens, Director General of BEUC, European Consumers' Organization,</p> <p>Oliver Gray, Director General at European Advertising Standards Alliance (EASA), which brings together self-regulatory organisations and industry members</p> <p>Patrick Von Braunmuhl, Executive Director Selbstregulierung Informationswirtschaft e.V. SRIW tries to promote effective codes of conduct; members include BITKOM, Cyclomedia, Deutsche Post, Deutsche Telekom, Encourage Directories, Gentium, Google, Microsoft, Nokia, Panolife</p>
SANCO	Expert Panel to provide advice on effective ways of investing in health	1/11	MARUŠIČ Dorjan is a self-employed consultant who does not disclose his clients
HOME	Data Retention Experts Group	1/1	Christopher Kuner is Senior Of Counsel in the Brussels office of Wilson Sonsini Goodrich & Rosati, who advises large corporate clients on privacy; he is also Chairman of the International Chamber of Commerce Task Force on Privacy and the Protection of Personal Data
JUST	Commission Expert Group on a European Insurance Contract Law	1/7	Mr. Piotr Czublun, Partner in Czublun Trębicki Kancelaria Radców Prawnych who offer 'business oriented approach to resolving legal problems' with claims of working for the biggest firms

RTD	EU Bioeconomy Panel	8/24	<p>Christine BUNTHOF, Senior policy officer, Stichting Dienst Landbouwkundig Onderzoek DLO (part of Wageningen UR), which “specializes in strategic and applied research for industry and public institutions” <a href="http://refertil.info/dlo">http://refertil.info/dlo</a></p> <p>Cristina L.M. SILVA, Associate Professor, Principal Investigator, Coordinator of 3rd cycle degrees, Catholic University of Portugal - Bioeconomy College, currently running a project with FRIOPESCA, a frozen foods company – 51-200 employees according to LinkedIn <a href="http://www1.esb.ucp.pt/lopa/">http://www1.esb.ucp.pt/lopa/</a></p> <p>Dominique BARJOLLE MUSARD, Deputy Director (FiBL) and Lecturer - Researcher (ETH), FiBL - Research Institute of Organic Farming and ETHZ - Swiss Federal Institute of Technology, Also project leader at REDD SA (previously Terroirs of the World) <a href="http://www.wipo.int/export/sites/www/meetings/en/2011/wipo_ip_dev_ge_11/bios/barjolle.pdf">http://www.wipo.int/export/sites/www/meetings/en/2011/wipo_ip_dev_ge_11/bios/barjolle.pdf</a></p> <p>Dorette CORBEY, Chairs the Dutch Corbey Committee on sustainable biomass, which is a mix of government, industry and civil society voices</p> <p>Emilia DEN BOER, Assistant Professor, Section of Waste Technology and Land Remediation, Institute of Environment Protection, Wroclaw University of Technology, and also “provides consultancy for municipalities and enterprises within waste sector.” <a href="http://www.plasticseurope.org/identiplast-2012/speakers-9528/emilia-den-boer.aspx">http://www.plasticseurope.org/identiplast-2012/speakers-9528/emilia-den-boer.aspx</a></p> <p>Hordur KRISTINSSON, Research Director of Matis and Director of Division of Biotechnology and Biomolecules, Matis Ltd (Icelandic Food and Biotechnology R&amp;D Institute); Matis Ltd is 100% gov owned but R&amp;D for industry; 38% of its income comes from government, but it also operates Prokaria, a private biotechnology company and is a shareholder in Iceprotein, a protein production company <a href="http://www2.matis.is/english/about/">http://www2.matis.is/english/about/</a>;</p> <p>Sirpa KURPPA, Research professor on sustainable bioeconomy, MTT Agrifood Research Finland, Many current projects funded by TEKES (bringing pub/priv together) <a href="http://www.tekes.fi/en/community/Innovation_funding/346/Innovation_funding/1238">http://www.tekes.fi/en/community/Innovation_funding/346/Innovation_funding/1238</a>), and focus is ‘green growth’ and market-focused (<a href="https://portal.mtt.fi/images/mtt/asteri/cv/Sirpa_Kurppa_CV_eng.pdf">https://portal.mtt.fi/images/mtt/asteri/cv/Sirpa_Kurppa_CV_eng.pdf</a>);</p> <p>Stanislaw BIELECKI, Rector, Lodz University of Technology, Member of the Board of Management of European Federation of Biotechnology (EFB), Board of Management and President of the Biotechnology Section of Polish Biochemical Society, Coordinator of the Technology Centre of Advanced “BioTechMed”, Co-author and member of the Polish Federation of Biotechnology (PFB), Initiator and Coordinator of the Polish Technology Platform for Biotechnology (18 industrial members including Monsanto), Initiator and Coordinator of the Centre of Excellence the Industrial (White) Biotechnology, Member of Industrial Biotechnology Steering Group in the European Technology Platform for Sustainable Chemistry (Sus-Chem- ETP), Project manager: Towards an European Research Area in Industrial Biotechnology (ERA-IB) (in the area of Poland) (until 2011), <a href="http://www.sbielecki.p.lodz.pl/page.php?organizacja_en">http://www.sbielecki.p.lodz.pl/page.php?organizacja_en</a></p>
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RTD	Expert Group on Retail Sector Innovation	7/11	<p>AMARAL GUNTHER Joao, works at Sonae, a food business, <a href="http://www.linkedin.com/profile/view?id=13686004&amp;authType=NAME_SEARCH&amp;authToken=EXJH&amp;locale=en_US&amp;srchid=530309521376925492259&amp;srchindex=1&amp;srchtot=1&amp;trk=vsrp_people_res_name&amp;trkInfo=VSRPsearchId%3A530309521376925492259%2CVSRPtargetId%3A13686004%2CVSRPcmpt%3Aprimary;">http://www.linkedin.com/profile/view?id=13686004&amp;authType=NAME_SEARCH&amp;authToken=EXJH&amp;locale=en_US&amp;srchid=530309521376925492259&amp;srchindex=1&amp;srchtot=1&amp;trk=vsrp_people_res_name&amp;trkInfo=VSRPsearchId%3A530309521376925492259%2CVSRPtargetId%3A13686004%2CVSRPcmpt%3Aprimary</a>;</p> <p>HIRNER Sabine, is labelled by the Commission as representing industry, yet is in her personal capacity;</p> <p>MARTINEZ- RIBES Luis, Business consultant, including large corporations like Danone, Bayer, Unilever;</p> <p>MOITIER Carine, is labelled by the Commission as representing industry, yet is in her personal capacity;</p> <p>SCHWARZ David, is labelled by the Commission as representing industry, yet is in his personal capacity;</p> <p>WERKHOVEN Tim, is labelled by the Commission as representing industry, yet is in his personal capacity;</p> <p>WEIBEL Fabienne, is labelled by the Commission as representing ‘public affairs’ (she is Deputy Head of Government Relations, i.e. lobbying, at eBay), yet is in her personal capacity;</p>
RTD	Expert group for the evaluation of the over-all performance of the European Innovation Partnership (EIP) concept and approach	5/5	<p>Cristina Garmendia, CEO of GENETRIX, founding partner in Ysios Capital Partners;</p> <p>Esko Aho, Senior Fellow, Harvard University Consultative Partner, Nokia Corporation, Head of Business Team for Russia cooperation venture for the Finnish-Russian Chamber of Commerce, and chairing joint board of the FRCC and East Office <a href="http://www.svkk.fi/mika_on_svkk/frcc_in_brief/press_releases">http://www.svkk.fi/mika_on_svkk/frcc_in_brief/press_releases</a>;</p> <p>Marco Steinberg, Director at SNOWCONE, a small innovation consultancy, advising governments and others on innovation, with no disclosed client list;</p> <p>Paweł Świeboda, President at DEMOS EUROPA, ‘independent international research institution’ partnered with lots of corporations <a href="http://www.demoseuropa.eu/index.php?option=com_content&amp;view=article&amp;id=53&amp;Itemid=59">http://www.demoseuropa.eu/index.php?option=com_content&amp;view=article&amp;id=53&amp;Itemid=59</a>;</p> <p>Petra Wilson, Director for Public Sector Healthcare at Cisco Internet Business Solutions Group, who is also labelled as representing industry by the Commission but is put in a personal capacity</p>

RTD	Expert Group on Intellectual Property Valuation	8/10	<p>DULCE Miranda, corporate lawyer, protects corporate IP (specialises in big pharma and biotech)  <a href="http://www.garrigues.com/en/Socios/Paginas/dulcem_miranda_naranjo.aspx">http://www.garrigues.com/en/Socios/Paginas/dulcem_miranda_naranjo.aspx</a>;</p> <p>ENEVOLDSEN Stig, auditor for Deloitte (used to be Chairman of EFRAG);</p> <p>FAHL Kristina, Founder and Board Member NetClean Technologies Sweden AB; Founder and Chairman of Avista Kredit &amp; Företagsservice i Göteborg AB (direct links with IP); board member of Kabusa Böcker AB (books); Chairman of Chefsnätverket Close AB (professional network manager); board members LightLab Sweden AB (R&amp;D for lighting); Theleon &amp; Partners Styrelsearbete AB (management consulting); board member Almi Företagspartner Väst AB;</p> <p>MAGUIRE Jackie, CEO of Collier IP ('helping business realise value from intangible assets');</p> <p>PYIS Ludo, Founder President at AREOPA group (management consulting);</p> <p>RYAN Daniel, Co-head of London office of Berkeley Research Group LLC (consultancy/lobbyist);</p> <p>SZCZEPANOWSKA- KOZLOWSKA Krystyna, Heads IP team in Poland for DLA Piper (law) and IP department at Uni of Warsaw;</p> <p>WURZER J. Alexander, Private IP consultant (Wurzer&amp;Kollegen - management) and IP academic</p>
RTD	Expert Group on Open Innovation and Knowledge Transfer	9/12	<p>ANDERSEN Birgitte, Director of Big Innovation Centre (not for profit, set up by the Work Foundation and Lancaster University) - "brings together some of the world's leading companies with key institutions from across the policy landscape"; "It will carry out business-oriented research, taking emerging ideas and backing them with evidence"  <a href="http://www.biginnovationcentre.com/Aboutus">http://www.biginnovationcentre.com/Aboutus</a>;</p> <p>DVORAK Ivan, listed as representing industry therefore shouldn't be personal capacity – owner and CEO of innovation investment consultancy;</p> <p>KRUGER Peter, listed as representing industry therefore shouldn't be personal capacity;</p> <p>MALMQVIST Helena, listed as representing industry therefore shouldn't be personal capacity;</p> <p>PLECKAITIS Andrius, listed as representing industry therefore shouldn't be personal capacity;</p> <p>REHN ALF, Is Chair of Organisation and Management at Abo Akademi University, but also owns Alfrigg AB (consulting/public speaking) and Chairman of the Board of advertising agency Satumaa Ltd</p> <p>SECALL RUIZ Sara, Was at the University of Barcelona, now Director of Tech Investment Group <a href="http://www.inveready.com/es/cf">http://www.inveready.com/es/cf</a>;  <a href="http://www.linkedin.com/profile/view?id=2979404&amp;authType=NAME_SEARCH&amp;authToken=hUmE&amp;locale=en_US&amp;srchid=530309521376937375994&amp;srchindex=1&amp;srchttotal=2&amp;trk=vsrp_people_res_name&amp;trkInfo=VSRPsearchId%3A530309521376937375994%2CVSRPtargetId%3A2979404%2CVSRPcmpt%3Aprimary">http://www.linkedin.com/profile/view?id=2979404&amp;authType=NAME_SEARCH&amp;authToken=hUmE&amp;locale=en_US&amp;srchid=530309521376937375994&amp;srchindex=1&amp;srchttotal=2&amp;trk=vsrp_people_res_name&amp;trkInfo=VSRPsearchId%3A530309521376937375994%2CVSRPtargetId%3A2979404%2CVSRPcmpt%3Aprimary</a>;</p> <p>STEVENS William, listed as representing industry therefore shouldn't be personal capacity;</p>



			VERMEULEN Erik, listed as representing industry therefore shouldn't be personal capacity;
RTD	Expert Group on Public Sector Innovation	3/9	KORELLA Gina, at the Social Work Foundation (NGO);  LE MASSON Bernard, labelled as representing industry by the Commission, so shouldn't be in personal capacity (he is the Global Managing Director for Health and Public Service Management Consulting at Accenture)  ORAVEC Jan, President of The Entrepreneurs Association of Slovakia; member of a presidium of The Association of Employers; represents employers in a Council of Economic and Social Agreement; founder of Hayek Foundation Bratislava and the Slovak Tax Payers' Association; <a href="http://www.ineko.sk/euroreform/menu4_oravec.htm">http://www.ineko.sk/euroreform/menu4_oravec.htm</a>
RTD	Experts Group on the role of Universities and Research Centres in Smart Specialisation	2/7	PETIOT Caroline, Works for European Aeronautic Defence and Space Company N.V. (EADS)  PUUKKA Jaana, founder of strategy consultancy, 'innovation engage' <a href="http://www.linkedin.com/profile/view?id=16271506&amp;authType=NAME_SEARCH&amp;authToken=dH1C&amp;locale=en_US&amp;srchid=530309521376939978267&amp;srchindex=1&amp;srchtot=1&amp;trk=vsrp_people_res_name&amp;trkInfo=VSRPsearchId%3A530309521376939978267%2CVSRPtargetId%3A16271506%2CVSRPcmpt%3Aprimary">http://www.linkedin.com/profile/view?id=16271506&amp;authType=NAME_SEARCH&amp;authToken=dH1C&amp;locale=en_US&amp;srchid=530309521376939978267&amp;srchindex=1&amp;srchtot=1&amp;trk=vsrp_people_res_name&amp;trkInfo=VSRPsearchId%3A530309521376939978267%2CVSRPtargetId%3A16271506%2CVSRPcmpt%3Aprimary</a>
SG	Expert Group on a debt redemption fund and eurobills	8/10	Bento, Vitor, CEO of SIBS, Forward Payment Solutions (inter-bank systems);  Bishop, Graham, Brussels consultant/lobbyist, expert in European economic and financial affairs, Board member of the Kangaroo Group  Buch, Claudia, works at Centre for European Economic Research, a corporate-financed think tank with corporate members on the board)  Romana, Belén, CEO of Spanish 'bad bank', Sareb  Šimonytė, Ingrida, Vice-chairwoman of the Board of the Lithuanian Bank, Professor at the Vilnius university and former finance minister (until 2012)  Tumpel-Gugerell, Gertrude, Consultant, Austrian Institute of Economic Research, former member of the ECB Executive Board, Board of Directors of Commerzbank;  Vihriälä, Vesa, Managing Director of the Economic Research Institute of the Finnish Economy ETLA and the Finnish Business and Policy Forum EVA; member of the Finnish Industry Association  WEDER DI MAURO Beatrice, Professor of International Macroeconomics at University of Mainz, Germany, Board of directors at UBS, Thyssen-Krupp and the governing board of Hoffmann-La Roche
SG	High Level Group on Administrative Burdens	1/1	STOIBER Edmund, Chair, Former Minister-President of Bavaria, leads advisory board of Deloitte, on the board of Nürnberger Beteiligungs-Aktiengesellschaft, and has used his position as Chair to lobby Commissioners on behalf of Bavarian businesses (e.g. snuff manufacturers)
TAXUD	VAT Expert Group	26/28	Members work for or are affiliated to the biggest accountancy firms

Having lobbyists or those with links to commercial interests sitting in groups in a personal capacity can mean that advice the Commission may have believed was independent is in fact related to a particular interest and therefore strengthens that voice within the group, impacting public policy and privileging one section of stakeholders over the others. In reaction to research by ALTER-EU, DG

ENTR has agreed to stop appointing members of new groups in a personal capacity.

### Conflict of interest

There is no horizontal conflict of interest policy for experts in Commission Expert Groups. The most common practice is asking candidates to sign a declaration stating they will act in the public interest. No declaration of interests is required and there are no checks on potential conflicts of interest. This might spark controversial conflict of interest cases reported in the media and thus form a risk for the public reputation of the European Commission. Also, the Commission's assumption that the individuals they pick for Expert Groups can be trusted to act independently (without proper checks and balances in place) could create the impression of Expert Groups being a closed, unaccountable old-boys network.

There is a clear need for an effective, transparent and accountable conflicts of interest policy for all individuals appointed in a personal capacity, which is something Vice President Šefčovič promised to look into over a year ago, but that has not progressed since. Conflict of interest policies developed by the WHO and some of the European Agencies (EMA, EFSA etc.) could be worthwhile and has been recommended to Vice President Šefčovič by civil society groups.

### **3. Do you consider that the current level of transparency regarding the composition of Commission Expert Groups, in particular through the Register of Commission Expert Groups and Other Similar Entities, is sufficient?**

**In particular, does the information made available by the Commission allow you to ascertain which interests are represented by the members of Commission Expert Groups? If not, where do you see room for improvement?**

The current level of transparency regarding the composition of Commission Expert Groups, in particular through the Register of Commission Expert Groups and Other Similar Entities, is not sufficient. In particular, the following problems regarding opacity of interests have been identified:

- The Register does not make clear the balance between stakeholders. In the 'Statistics' section it notes the number of types of members, e.g. personal capacity, organisation, but fails to mention numbers of members representing specific interests, which would give the public an ability to judge. Giving overall figures for interests represented would only work if organisations (and individuals) were properly labelled. There is currently great inconsistency among DGs and even within DGs as to which interest certain organisations belong to. The Register has the 'category' field, within which 'NGO', 'Trade Union', 'Association' etc. is filled out, but with many inconsistencies and inaccuracies. For example, among groups created between September 2012 and 2013, more than 80% of organisations representing corporate interests were not labelled as such, with the worst culprits being TAXUD (labelling most corporate interests 'Associations'), and DG AGRI (labelling all stakeholders 'NGOs'). For more statistics, see "*A Year of Broken Promises*".<sup>6</sup> Clear and accurate labelling needs to be systematised across all DGs, which could be done by linking their entry to the transparency register, as well as giving the public more information on the overall lobbying activities of members.

The labelling of individuals is also problematic:

- Particularly in light of the aforementioned concerns around conflicts of interest, if an individual is there in a personal capacity then a clear declaration of interest (DOI) should also be published to assure the public. This DOI should be thoroughly reviewed by the Commission to ensure the

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<sup>6</sup> ALTER-EU, 2013, *A Year of Broken Promises*, available at [http://www.alter-eu.org/sites/default/files/documents/Broken\\_Promises\\_web.pdf](http://www.alter-eu.org/sites/default/files/documents/Broken_Promises_web.pdf)

independence of the individual expert. If it transpires that there are interests which the member has not declared, a fitting sanction (e.g. a ban for the individual and organisation from all groups for a set period of time) could be levied.

- The Expert Group on a Debt Redemption Fund and Eurobills includes more information than most groups on its members in a personal capacity, but also misses out many board positions (see table above). Nevertheless, the information provided should have been sufficient to determine that the individuals should not have been construed as acting in a personal capacity.
- When it is clear that an Expert Group member labelled as “in a personal capacity” represents an interest, then all relevant information on the interest(s) represented by that individual should be made public. This is currently not the case. This information should include which stakeholder group they represent (rather than which industry sector they have expertise on), who they work for, and which organisations they have commercial ties to, e.g. board memberships. This would allow the public to be confident of who they represented and allow a more comprehensive assessment of composition.
  - The High Level Group on the Future use of the UHF band has listed the title of its members, but has not stated anywhere who they work for or any other commercial interest. Ironically, the press release actually gives much of the relevant information (who they all work for). There is no reason this information should not be in the register.
  - Equally, The Expert Group on Removing Tax Problems Facing Individuals who are Active Across Borders within the EU has all members as representing an interest but doesn’t say who they work for. It sporadically lists some of their professional titles (e.g Prof.; Dr.; Prof. Dr.), and when exploring the individual it lists the interest represented e.g. ‘law (taxation)’ or ‘External relations’, but no indication of who they work for.
  - This situation is also apparent in all new Horizon 2020 groups, which will decide the research funding opportunities for the next 7 years. This process should be fully transparent and accountable (particularly given the clear conflicts of interest present within FP7 Expert Groups)<sup>7</sup> but is not. In fact, this is a problem across DG RTD, where information on representatives of interests is incredibly limited, e.g. the Research, Innovation and Science Policy Experts (RISE) High Level Group (HLG)

**Do you consider that the current level of transparency regarding the work of Expert Groups, in particular through the publication of agendas and minutes, is sufficient?**

The practice of putting minutes and agendas on line is improving, however there are some key improvements to be made:

- Minutes and agendas should be added to the register rather than linking to another website.
- Agendas should be placed on line before a meeting, not afterwards.
- Minutes of a meeting should be placed on line as promptly as possible
- The minutes should clearly show which stakeholders have agreed or proposed which views, in order to allow the public a clear idea of which interests are pushing for what. There is no agreement of secrecy within the Commission, and all DGs should have to do this – despite some such as TAXUD protesting.

**4. Where the Commission publishes calls for application for membership in Expert Groups, do you consider that these calls provide for selection criteria which sufficiently take into account the need for a balanced composition of Expert Groups? If not, where do you see room for improvement?**

The selection criteria within application calls are often broad enough to justify the selection of any

<sup>7</sup> ALTER-EU, 2012, Who’s driving the Agenda at DG Enterprise and Industry?, available at [http://www.alter-eu.org/sites/default/files/documents/DGENTR-driving\\_0.pdf](http://www.alter-eu.org/sites/default/files/documents/DGENTR-driving_0.pdf)

member. However, while mentioning all stakeholders within the call, as well as the need for balance, a lack of clarity on what ‘balance’ is understood to mean can make it difficult to hold the Commission to account. It should be explicit when mentioning a need for balance between economic and non-economic actors, as well as clearly stating – as the European Parliament has demanded – that no single stakeholder should have a majority. Ensuring diversity across stakeholders should also go beyond stating it in the call for applications:

- The Platform for Tax Good Governance stated the need for diverse stakeholders, yet appointed five closely-linked employers federations (the International Chamber of Commerce and the American Chamber of Commerce; BusinessEurope and its German and French members), four closely-linked accountancies (Confédération Fiscale Européenne is joined by its Dutch member, while the Fédération des Experts Comptables Européens is joined by its UK member) and three similar overseas development NGOs (Christian Aid, Oxfam, CIDSE), despite the call asking for ‘International, preferably European level’ representatives and claiming to strike a balance between different interests.

**In your view, could the Commission do more to raise awareness about these calls, with a view to encouraging applications? If so, what concrete steps could it take in this regard?**

There is no agreed period for calls for applications. A minimum period of 6 weeks would be appropriate. Organisations with wide membership need time to consult internally, and groups outside Brussels may only learn about a call several weeks after it was launched. Additional steps should be taken to ensure that a wider pool of experts is reached, for example: using social media; targeting specific sectors through trade magazines and websites; asking civil society organisations active in the field to publicise it among their networks; identifying areas where there are fewer applicants and reaching out in a more targeted, proactive way.

The number and nature of the applicants and the criteria used to choose between them should all be made public. This would help understand better the nature of the problem: is there a problem of lack of applicants or are there biases in the selection of applicants?

To the extent that there is a lack of diversity in the applications to participate in Expert Groups, the Commission should also be ready to accept that there may be a more fundamental problem stemming from a lack of internal, academic, and civil society expertise on a topic, which will mean under-representation. This does not mean the Commission should create unbalanced groups, but rather it should find alternative solutions (see question 6).

**5. Do you have any experience in applying for membership in a Commission Expert Group? If so, did you face any problems in the application process? If not, are you aware of any such problems faced by civil society organisations?**

**Based on your experience, do the costs inherent in participation/the lack of comprehensive reimbursement schemes discourage civil society organisations from applying for membership?**

Corporate Europe Observatory has not participated in any Expert Group.

**6. Please give us your views on which measures could contribute to a more balanced composition of Commission Expert Groups.**

Recognition of the problem

First, the Commission must recognise that it is undesirable that Expert Groups are dominated by big business interests, as the Commission is supposed to be a public interest institution. A full review of

the horizontal rules is required in 2015, with new rules introduced to ensure that no single stakeholder has a majority. There are already positive examples in certain DGs:

- DG ENTR has pledged to stop creating groups in which corporations have more than 50% of the seats
- DG AGRI's decision for its new 'Civil Society Groups' to compliment the Common Agricultural Policy explicitly mentions balance between economic and non-economic actors and a balance between stakeholders (although unfortunately the composition of the new groups shows it has rescinded this commitment).<sup>8</sup>
- DG EAC believes its Erasmus Mundus Expert Group is balanced because "no single interests (business, trade union or otherwise) has a majority of the non-government and non-EU seats in the group".<sup>9</sup>
- DG CONNECT, in correspondence with the European Parliament, has also stated that it respects the Parliament's conditions and ensures that corporate interests represent no more than 50% of expert group members

But in order to assess composition, full transparency is needed regarding classification of interests and declarations of interest, something which should be included in the horizontal rules. This would prevent the Commission being able to falsely claim a balanced composition.

### Responding to capacity limitations

If the difference in capacity makes it impossible to ever have enough civil society actors for a balanced composition (as DG ENTR has experienced when trying to attract more civil society actors), then the number of other stakeholders should be reduced. The fear of losing expertise can be overcome through the Expert Group in question inviting said expert for a hearing or to submit a paper, rather than giving them a permanent seat and decision-making powers. This is often suggested by DGs (particularly TAXUD) as a way for civil society groups to participate, rather than being members of groups, yet it appears the approach hasn't been considered for corporate members. It is also an approach taken by the World Health Organisation's International Agency for Research on Cancer (IARC).<sup>10</sup>

## **7. Do you have any other comments?**

### Commission taking backward steps

Following the letter sent from MEPs to the European Commission on 5th November 2013, outlining the continuing existence of problems within Expert Groups, the Commission has reneged on its commitments. In correspondence with civil society and MEPs, it now claims there was no agreement made in September 2012 (when the budget was lifted) to improve Expert Groups, and is claiming that it has done what is necessary of it, while 'work is ongoing'. It is also denying there was ever an agreement to review horizontal rules in 2015, which was a key opportunity to systematically fix Expert Groups. This threatens much of the progress obtained by the European Parliament so far. The Ombudsman therefore must ensure that the new Commission takes the problem seriously and that a full review of rules on Expert Groups – with a participative, consultative process – is launched in 2015.

### Fundamental conflicts of interest?

As well as ensuring that individuals representing interests should not be in Expert Groups in an independent capacity, there is a more fundamental issue: should certain interests be allowed to sit in

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8 [See the Birdlife/EEB consultation submission](#)

9 Education and Culture, May 2012, Review of Expert Groups, accessed as a result of a freedom of information request, available at [http://www.asktheeu.org/en/request/review\\_of\\_expert\\_groups#incoming-1328](http://www.asktheeu.org/en/request/review_of_expert_groups#incoming-1328)

10 David Michaels, 2008, *Doubt is their Product*, Oxford University Press, p. 255-57

Expert Groups at all? Are the commercial interests of some organisations inherently opposed to the public interest? In the field of tobacco regulation, the WHO has drawn up strict guidelines, Article 5.3 of the WHO Framework Convention on Tobacco Control,<sup>11</sup> which severely limit the contact between policy makers and tobacco lobbyists and ensure any contact is fully disclosed. It's internationally accepted that the interests of the tobacco industry are de facto never going to be in the interest of public health. This argument is applicable beyond the tobacco industry: should the dirty energy industry have a say on climate policy or risky investment bankers on financial regulation?

The Commission's justification for their inclusion – that it lacks expertise – can be overcome by ensuring that the core group with decision making and report drafting powers is one made up of members who strictly represent the public interest or are truly independent. However, they would be charged with collecting information from external experts, including those who represent specific commercial interests. This would allow political oversight of technical information and ensure its inherent political nature did not inadvertently guide policy, while still benefiting from the expertise held by commercial interests. Given the importance of the work conducted by Expert Groups and the real and apparent conflicts of interest of some members, such a policy would clearly serve the public good.

#### Commission moving away from Expert Groups?

Worryingly, there are increasing examples whereby DGs are not using the Register and instead creating groups which appear to share many of the same characteristics but are not officially Expert Groups. For example:

- DG MARKT created a series of groups focused on self-regulatory outcomes, none of which are in the register
  - The CEO Coalition to Make the Internet a Better Place for Kids in December 2011, a voluntary scheme for corporations to sign-up to in which the coalition forms a workplan with deadlines and performance indicators, as well as making recommendations;
  - The Safer Networking Taskforce, formed in 2008, brought together social networks, researchers and child welfare organisations to develop a set of voluntary guidelines;
  - The European Framework for Safer Mobile Use by Younger Teenagers and Children came out of a High Level Group discussion and sets out voluntary principles;
- As listed above, DG ENTR formed an 'informal' Working Group for Technical Advice, parallel to the existing Working Group for Non Road Mobile Machinery (Emission from non road mobile machinery engines) ([E01346](#)), but cancelled this group when civil society complained;
- DG ENTR has also created the European Rare Earths Competency Network (ERECON), comprising experts in three working groups, which have the same goal and form as Expert Groups but are not in the register. Worryingly, the groups consist of business leaders and policy makers and occasionally technical experts, which suggests an imbalance in composition.
- 'Workshops' (sometimes identified in the Impact Assessments) are also being used as a substitute for Expert Groups, giving industry a privileged channel to influence legislation in a space beyond public scrutiny.

#### Law-breaking corporations

Surprisingly, corporations who are found guilty of breaking either a member-state or EU-level law are allowed to continue advising the Commission, even if the misdemeanour directly relates to the remit of the Expert Group. This should not be seen as acceptable. For full recommendations, please

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<sup>11</sup> World Health Organisation, 2008, *Guidelines for implementation of Article 5.3 of the WHO Framework Convention on Tobacco Control*, [http://www.who.int/fctc/guidelines/article\\_5\\_3.pdf](http://www.who.int/fctc/guidelines/article_5_3.pdf)

see the report by ex-MEP Martin Ehrenhauser, *Crooked Counsel*.<sup>12</sup>

**Attached documents:**

- Letter from DG ENTR opening a new highly-imbalanced Expert Group (in parallel to an existing balanced one)
- Spreadsheets with raw data behind the figures presented in the submission
- Correspondence between DGs and the European Parliament following the publishing of ALTER-EU's report "*A Year of Broken Promises*"
- CSO letters to Vice-President Maroš Šefčovič, as well as responses
- Letter from DG AGRI showing the rollback of commitments on meeting the Parliament's conditions

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<sup>12</sup> Ehrenhauser, M., 2014, *Crooked Counsel*, available at [http://www.ehrenhauser.at/assets/Studie\\_crookedcounsel\\_05052014\\_1446\\_Final.pdf](http://www.ehrenhauser.at/assets/Studie_crookedcounsel_05052014_1446_Final.pdf)