

20 October 2014

Dear MEP,

*****Supporting draft amendment for a budget freeze of problematic expert groups;
PLENARY vote 22/10/14*****

We are writing to you as concerned trade unions and civil society organisations about the very important matter of European Commission advisory groups and for your support in **freezing the budget of these problematic groups** when it is **voted in plenary on 22 October**.

Draft budget amendment

Expert Groups are often formed at the beginning of the Commission's legislative process to provide expert opinion and guidance. However, of these influential groups, many have traditionally been dominated by corporate interests to the detriment of the public interest, including in policy areas as important as banking regulation, taxation and emissions reductions.

Due to the long-standing lack of progress in tackling industry domination within groups a cross-party group of MEPs¹ has tabled an amendment to the European Commission's 2015 budget. They propose a reserve on the part used for Expert Groups.² Four conditions have been set for its release:

- Ban lobbyists in a personal capacity and introduce an adequate conflicts of interest policy;
- Open calls for application with common selection criteria to guarantee balance across stakeholders;
- Full transparency of membership and group activities;
- Review existing rules in 2015 following the close of the Ombudsman investigation;

Two years of broken promises

A budget freeze was first introduced in 2011 after a similar lack of progress on behalf of the Commission which led to a full review of all groups and a promise to reform. When lifting the freeze in September 2012, Parliament warned that if its conditions were not met, the budget would be refrozen. Two years have passed and unfortunately the Commission has not delivered on its promises. The European Ombudswoman, Emily O'Reilly, has even opened her own investigation into the composition of groups, which many signatories have contributed to and which is set to conclude in 2015.

Current Commission positions (eg. no longer agreeing to a 2015 horizontal review of rules) show that they are not taking the issue seriously enough. To date, the budget freeze remains the only tool to have elicited action from the Commission.³

For background on all these topics, see annex I

Supporting a freeze to safeguard reforms

Given the importance of Expert Groups in public interest policy making, and the potential for change in 2015, it would appear the right political moment for a new Parliament to take action

1 Helga Trüpel (Greens/EFA), Inge Gräßle (EPP), Monica Macovei (EPP), Jens Geier (S&D), Dennis De Jong (GUE/NGL), Heidi Hautala (Greens/EFA), Indrek Tarand (Greens/EFA)

2 The specific line is 'Conferences, meetings and expert groups' expenses', with 15% reserved (€3,9 million)

3 During the budget freeze the Commission reviewed all existing groups and agreed to a series of reforms, some of which were implemented.

once more. We call on you, as members of the European Parliament, to freeze the Expert Groups budgets for 2015 and to urge the Ombudsman to make the necessary bold recommendations for improving Expert Groups and reviewing the horizontal rules, which the EU Commission must take up swiftly and fully.

Yours sincerely,

Austrian Trade Union Federation, ÖGB

Austrian Federal Chamber of Labour, Europabüro, AK

The Alliance for Lobby Transparency, Alter-EU

Belgian Confederation of Christian Trade Unions, ACV – CSC

Belgian General Federation of Labour, FGTB-ABVV

Bird Life International

CAN Europe

CEE Bankwatch

Confederation of German Trade Unions, DGB

Council of European Professional Managerial Staff, Eurocadres

Danish Confederation of Trade Unions, LO-DK

European Environmental Bureau

European Federation of Public Services Unions, EPSU

European Trade Union Federation, Skills and Service Sectors, UNI Europa

Friends of the Earth Europe

GMB General Union, United Kingdom

Greenpeace

Health and Environment Alliance

Nature Friends International

Swedish Confederation for Professional Employees, TCO

Swedish Confederation of Professional Associations, Saco

Swedish Trade Union Confederation, LO -Sweden

Transport & Environment



ANNEX I: **Background**

Expert Groups have been consistently and heavily criticised by the European Parliament and civil society alike, with the Parliament even freezing the groups' budget in November 2011 after the Commission repeatedly failed to act. The freeze led to a full review of all groups with commitment to reform them according to the Parliament's four conditions: no corporate domination of groups; ban lobbyists in a 'personal capacity'; open calls for application with common selection criteria; full transparency of members and activities. A year later the freeze was lifted under the agreement that the Parliament's conditions to fix the groups would be met, yet two years on Expert Groups remain highly problematic.

Ombudswoman, Emily O'Reilly, Investigation

In light of how important the groups are, as well as the extent of the problem, the European Ombudswoman launched an investigation into the topic in May 2014, with the public consultation ending on August 31st. Many signatories of this letter contributed evidence, highlighting how the most economically and politically important Expert Groups continue to be dominated by industry stakeholders. This is despite the Parliament stipulating that no single stakeholder would hold a majority and the Commission also stating it is committed to balance.⁴ Instead, non-industry public interest stakeholders remain minority voices, which has been suggested by a number of respondents to the Consultation as reflecting an institutional culture. Other serious issues raised in the public consultation include:

- Many experts being appointed to a group as 'independent' when they either have clear conflicts of interest such as ongoing financial links to a company or an organisation directly affected by the remit of the group, or is even a paid lobbyist by specific industry. This is due to the complete absence of a conflicts of interest policy, while these 'independent' experts also serve to further mask industry domination.
- A lack of transparency in the Expert Group Register makes it difficult for the public to know which interests are being represented, especially when Business Europe, one of the most powerful business lobbies in Brussels, has been labelled an association, NGO or even trade union by different Directorates General. Equally, there is no information given on individuals who are appointed to groups to represent an interest – often not even the stakeholder group they are supposed to represent, let alone who they work for or what other financial ties they might have.
- The Parliament has called on the Commission to publicly announce all calls for new groups, yet it has not. And even when it has, the criteria it sets out for membership and the selection of members often ignore balance between industry and non-industry interests.

As well as highlighting outstanding and often fundamental problems with European Commission Expert Groups, the public consultation submissions have also suggested concrete reforms to improve them, including and going beyond the demands made by Parliament in November 2011.

4 European Commission, 'Expert Groups Explained', *Register of Expert Groups and Other Similar Entities*, available at <http://ec.europa.eu/transparency/regexpert/index.cfm?do=faq.faq&aide=2>

Commission moving backwards

However, recent developments jeopardise the chances of these recommendations being realised:

- The informal arrangement to review the horizontal rules for Expert Groups in 2015, which many MEPs, trade unions and civil society groups saw as the next chance to improve the groups (they had been periodically reviewed every five years), has been rebutted by the Commission, who “does not consider it necessary”.⁵
- The Commission now denies any agreement was made with the Parliament when lifting the budget freeze in September 2012, and therefore does not need to fulfil the conditions set.⁶
- The recently concluded process of reforming expert groups within the Directorate-General for Agriculture and Rural Development has not implemented the balance between stakeholders stated in the official decision.⁷ The Ombudswoman, Emily O’Reilly, has also launched an own initiative inquiry into these groups after being alerted to heavy industry lobbying against changes to the status-quo.⁸

To date, the budget freeze remains the only tool to have elicited action from the Commission.⁹

5 In email correspondence between the secretariat of the Expert Group Register and Corporate Europe Observatory, the secretariat states “The Commission has never stated that it would carry out an overall review of its rules on expert groups in 2015 and does not consider it necessary”.

6 This is stated in recent correspondence with the Commission since the start of 2014. See for example the letter sent by DG Agriculture Commissioner Ciolos to MEPs in March 2014, available at http://corporateeurope.org/sites/default/files/ciolos_to_meps_march_2014.pdf

7 Commission Decision of 16 December 2013 setting up a framework for civil dialogue in matters covered by the common agricultural policy and repealing Decision 2004/391/EC, (2013/767/EU)

8 See <http://www.ombudsman.europa.eu/en/cases/correspondence.faces/en/54297/html.bookmark>

9 During the budget freeze the Commission reviewed all existing groups and agreed to a series of reforms, some of which were implemented.