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Soós Edit

European Public Policy

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Lesson 10

The European Union: Lobbying

READING TIME:

30 min





Lobbying the EU legislation

Organised interests are an integral part of modern policy-making. Private actors, corporate and collective, not only lobby for their interests but have also taken on much bigger roles as experts, and facilitators of public policies, as well as private regulators.

The role of organised interests as an expression of societal and economic influences on public policy-making in multilevel governance has become increasingly important in individual policy areas. This is because they act as a bridge between the different levels of governance and provide expertise for possible policy solutions.



Organised interests are representatives of various societal spheres – based on culture, social issues, civil rights, economic interest – with a clear dominance of socio-economic interest groups in policy-making. The role of organised interest in the process of European integration is highly developed, often more highly than

the role of organised interests in national policy-making.

The reason for the high-level representation at the European level is that the Europeanisation of many policy issues has opened up new possibilities for private actors in policy-making. Also, the increasing regulatory functions of the EU in the process of market making are of great interest to many producer groups who seek access to decision-making procedures. There are already institutionalised advisory bodies established to assist the European Commission, the European Parliament, and the Council, namely the European Economic and Social Committee and the European Committee of the Regions.



Since the years immediately after the entry into force of the Treaty establishing the European Economic Community (1957), Brussels has played host to lobbyists. During these years, the lobbyists primarily targeted Member State

governments due to the European Community's institutions lack of political mandate. Moreover, as the competences of other EU institutions increased, the drive to influence policy-making in these institutions saw a corresponding increase. Faced with the increased regulatory competencies of the EU and the introduction of qualified majority voting on single market issues, interest groups and lobbyists increased dramatically in number and level of activity throughout the 1990s.

The activities of lobbyists and pressure groups can be grouped into four categories

- service functions, i.e. the provision of specific services for their members;
- lobbying functions, i.e. attempts to influence decision-making processes from outside (e.g. meeting Commission officials or participating in public hearings);
- decision-making functions, i.e. the attempts to influence decisions from within (e.g. by direct participation in the decision-making process of expert committees selecting research project proposals);
- implementation functions, i.e. the participation in policy implementation (e.g. by taking over management functions in programme implementation).

The first two tasks mainly serve the organisations's membership or clients, whereas the latter two contribute to public policy-making and the governance of a specific policy sector.

As a result of such changes, during the 1990s Brussels became the centre of lobbying activity. In parallel to this, as a consequence of the increased competences and broader functions of the EU institutions, the institutional need for interest group participation also increased. This need has driven the EU institutions to welcome interest groups, represented by lobbyists. This allowed the interest groups to influence policy formulation from the initiation of discussions to final adoption or ratification.

Networking in Brussels helps bring together skills, experience, knowledge, resources, and interests from different sources that combined can build common action. The common action includes the identification of the right issues for the network to address and the right strategy to employ to ensure that interests are promoted and defended in the most effective, common way.

Belonging to a network offers the opportunity to influence and lobby effectively. The organisaton, resources, and capacities of the network determine the effectiveness of the advantages of information and influence. Getting hold of the right information and making a difference through influencing depend on the economic, social, and political capacities of the network and the quality of their representatives.

The European Commission in the White Paper on European Governance (2001) underlined the fact that 'many networks, whose roots reach down deep into society, feel disconnected from the EU policy process. By making them more open and structuring better their relations with the institutions, networks could make a more effective contribution to EU policies.¹

¹ European Commission: European Governance – a White Paper (COM(2001) 428 final C 287 12 October 2001, p.15.

Institutional demands on interest group action

Many actors across Europe are engaged in <u>lobbying</u> activities, looking to influence and inform public decision-making, and in the process often competing or cooperating with each other. This diversity includes, but is not limited to, those with economic interests, professional interests and civil society interests.

Interest groups can be national, European and international federations covering all sectors of economic and social activity, private enterprises, law firms, public affairs and representatives of local and regional authorities. Lobbying essentially describes direct advocacy about a matter of public policy.

Many lobbying groups exhibit striking differences in their approaches. They may have particular preferences, resources, forms of management, or lobbying styles. These differences often stem from factors such as geographical origin, type, and size of the organisation and situational aspects.

Openness and accountability are important principles for the conduct of **organisations** when they are seeking to contribute to EU policy development. It must be apparent which interests they represent and how inclusive that representation is. For a lobbyist who follows the itinerary of a legislative proposal, it is crucial to identify the relevant Commission officials. Several civil servants in various Directorates-general work on a given topic. One of then is responsible for the draft, the others have an advisory function. Commission officials are easily available and quite open to interest groups.

Monitor – what is happening in the institutions? What are the new policy trends, legal proposals?

Analyse – what could this mean for us nationally or regionally, for specific groups in society? What actions are needed – passive monitoring or active lobbying?

Inform – explain the background of the issue, basic elements of the proposal, the timeframe for action

Raise awareness – ensure that our firm agency or other interest groups understand the implications for them and their issues of this policy or legislation

Engage – encourage debate, exchange of ideas, brainstorm on what should be the goals of the lobbying effort

The provision of specific services for their members (e.g. gathering information)

Lobby functions – attempt to influence the decision-making process from ourótside (e.g. by meeting Commission officials)

Lobbying the European institutions

Despite the persistence of informality, in most countries, there is a growing professionalisation of lobbying. Following the rule that interests turn to where the power is, the European Commission and the Council of Ministers were the principal targets of lobbyist until the Single European Act (1986). In the Treaty of Amsterdam (1997) the European Parliament has increased its role in the revisions of the Commission policy proposals and has co-decision powers with the Council of Ministers.

Lobbying the European Commission



The institutional changes promoted underpin the importance of non-state actors in the policy-making process. As the agenda-setter, the Commission is the primary focus of much of the above lobbying activity: the commissioners, and their cabinets, the various Directorates-General of the European Commission are

targeted.

Lobbying the European Parliament



In parallel with the extension of the European Parliament's legislative powers, the intensity of efforts to lobby has significantly increased in the 1980s and 1990s. After the institutional position of the EP had been further upgraded with the introduction of new legislative procedures, pressure groups much intensified their action with the EP as a new

channel of influence. As a result, public interests have increased their voice in the policy process, and business interests have found new channels to influence the formulation of EU legislative proposals.

The EP comes into the focus of special interest as soon as the rapporteur of the competent EP Committee starts to prepare his report. The rapporteur and the Committee chair are the main gatekeepers. Personal acquaintance, nationality, or political affiliation that might influence the accessibility and openness of parliamentarians rank comparatively low in importance to lobbyists. The average Member of the European Parlament (MEP) still receives most of the request for help and support by letter, but the most efficient to meet an MEP in person. MEPs also rely on information from interest groups.

Concerning **the Council**, there is limited direct lobbying activity at the EU level via the Council Secretariat, the Committee of Permanent Representatives (COREPER). Paradoxically, it is domestic interests that appear to have the best access to the Secretariat as they are seen to provide the national mood perspectives.²

² Coen, David: Business Lobbying in the European Union. p. 8.

Aggressive lobbying by the digital economy

The success of Amazon, Google, Facebook and the like are proof: the digital economy is booming. By supporting this sector, politicians hope for not only high economic growth but also increased influence for Europe in the world. The capital is personal data that provides information about people's consumer habits as well as their leisure activities or state of health. Businesses' commercial interest in data rapidly comes into conflict, however, with fundamental rights such as the protection of privacy or of personal data.

When the European Commission plans to adopt EU data protection legislation, it is subject to aggressive lobbying by the digital economy. One of those to report this was the competent Commissioner Viviane Reding during the discussions about the General Data Protection Regulation. An unbelievable 3,999 amendments tabled by MEPs are also considered to be a direct consequence of lobbying regarding the regulation. Many of the amendments opposed increased data protection.

Lobbying in Brussels: Breaking the excessive power of corporations, AK Europa, Newsflash, March 2019. p. 30

Lobbying is when individuals or organisations seek to have a direct or indirect influence on policy-making and implementation. Lobbying is defined as communication with a legislator, an employee of a legislator or a legislative body. The communication refers to a specific piece of legislation and expresses a view on that legislation.

ТҮРЕ	INTEREST GROUPS			
Labour	Union of Industrial and Employers Confederation of Europe (UNICE) European Trade Union Confederation (ETUC) European Centre for Public Enterprise (CEEP) Union of Industrial and Employer's Confederation of Europe			
Consumers	European Consumers' Organisation (BEUC) European Community of Consumer Cooperation (EURO COOP)			
Social and community	European Anti-Poverty Network (EAPN) European Network of Woman European Round Table of Industrialists (ERT)			
Sector associations and firms	Steel industry association (EUROFER) Cement Industry Association (CEMBUREAU) European Association of Craft, Small and Medium-Sized Enterprises (UEAPME) AMCHAM-EU (It provides a forum for business leaders at the highest level to engage EU politicians at the highest level i.e. Coca-Cola, IBM, General Motors, Nike, McDonald's, Microsoft, etc.)			
Professional interests (Usually include fully qualified doctors, lawyers, architects, dentists, engineers, teachers, nurses, writers, artists, managers, etc.)	Council of European Professional and Managerial Staff (EUROCADRES) European Association of Senior Hospital Physicians (AEMH) Council of the Bars and Law Societies of the European Union (CCBE represents around a million European lawyers before EU institutions)			

Table 1: Different types of lobby organisations

As the number of lobbyists operating in Brussels increased, a more concrete regulation governing the conduct of the lobbyists targeting the Commission and the Parliament became highly desirable. Finally, in 2008, the Commission launched its register and in 2011 the Joint Transparency Register between the Commission and the Parliament was launched.

At EU level, lobbying activities lack comprehensive regulation

Lobbying is the most important tool of interest groups. Also known as special interests, factions, pressure groups, political advocacy groups, interest groups vary in size, wealth, degree of influence, and organization.

<u>According to European Transparency</u> Register around 50,000 individuals work in this European capital in organisations seeking to influence the EU institutions and decisions, with 7,500 of these possessing an accredited lobby badge to the European Parliament.

More than half of these organisations exclusively represent business interests. Therefore, large corporations, the financial sector and business associations dominate the European political stage. By comparison, employees are strongly under-represented: for every 100 organisations representing business interests, there are only around two organisations representing employees' interests.

NAME	Meetings	Lobbyist	Lobby expense (EUR)
Business Europe	149	30	4,000,000
Google	132	16	8,000,000
Airbus	182	11	1,750,000
Bureau Européen des Unions de Consommateurs	164	33	2,500,000
Federation for the Transport and Environment	136	26	700,000
Facebook Ireland Limited	130	25	4,250,000
Digital Europe	130	17	1,250,000
American Chamber of Commerce to the EU	129	9	291,000,000
WWF European Policy Programme	128	35	2,750,000
European Trade Union Federation	128	23	1,000,000
Association des Constructeurs Européens d'Automobiles	127	19	2,750,000
Microsoft Corporation	125	17	5,000,000
EuroCommerce	120	18	1,250,000
European farmers (COPA)	113	18	1,000,000
Vodafone Belgium SA	105	6	1,750,000

Table 2: Registered lobby organisations

Further Reading

Coen, David: Business Lobbying in the European Union. In: Lobbying the European Union. Institutions, actors and issues. ((Ed.): Coen, David and Richardson, Jeremy). Oxford University Press, Oxford, 2009.

Lobbying in Brussels: Breaking the excessive power of corporations, AK Europa, Newsflash, Vienna, March 2019.

Available at: https://wien.arbeiterkammer.at/service/broschueren/Lobbying_in_Brussels_2019_3.pdf

Wilhelm Lehmann (with the assistance of Anita Tušar and Lars Bosche): Lobbying in the European Union: current rules and practices. Constitutional Affairs Series, Working Paper, Luxembourg, European Parliament, 2003.

Available at: https://www.europarl.europa.eu/RegData/etudes/etudes/join/2003/329438/DG-4-AFCO_ET(2003)329438_EN.pdf

Agreement between the European Parliament and the European Commission on the transparency register for organisations and self-employed individuals engaged in EU policy-making and policy implementation OJ L 277/11 19.9.2014



QUESTIONS

What do you mean by lobbying?How many lobbyists are there in Brussels?What are some examples of interest groups?What is the most important tool for interest groups?What are the techniques of lobbying?How many lobbyists are there in Brussels?What's an example of lobbying?