



Lobbying in the EU

Lobbying, also known as Consultancy or Advocacy, are activities carried out to influence policy formulation (European Commission) and decision making (European Parliament)

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Introduction

In 2016 lobbyists spent a massive 1.7 billion € lobbying in the EU.

95% of the lobbying money comes from countries that were EU members before 2004.

Why does Sanofi spend over 10m€ in lobbying every year?

Money talks

The top 20 big spenders include pan-EU trade associations like the European Chemical Industry Council — which tops the list at €12.1 million — and BusinessEurope (€4.2 million). Also among the big money are consulting firms like FleishmanHillard (€7 million), Burson Marsteller (€4.7 million) and Interel (€5 million). (Politico)

Some of the top spenders are trade associations representing financial services sectors, like the Association for Financial Markets in Europe (€4.7 million), Insurance Europe (€7 million) and the European Banking Federation (€4.2 million). Individual firms like Deutsche Bank, Google, Microsoft and extractive industry firms ExxonMobil and Shell also feature in the top 20 lobbyists.

Criticism of lobbying suggests that money talks, and in a conflict of interests between big business and NGOs protecting civil, environmental, health or animal rights, the battle is unfair. NGOs represent about 9% of EU lobbying.

However, Lobbying is useful in terms of providing arguments and data from both sides during discussion in policy formulation with the European Commission.

- 80% of national law comes from the European Union. The decisions made in Brussels have a major impact on European citizens and European companies.

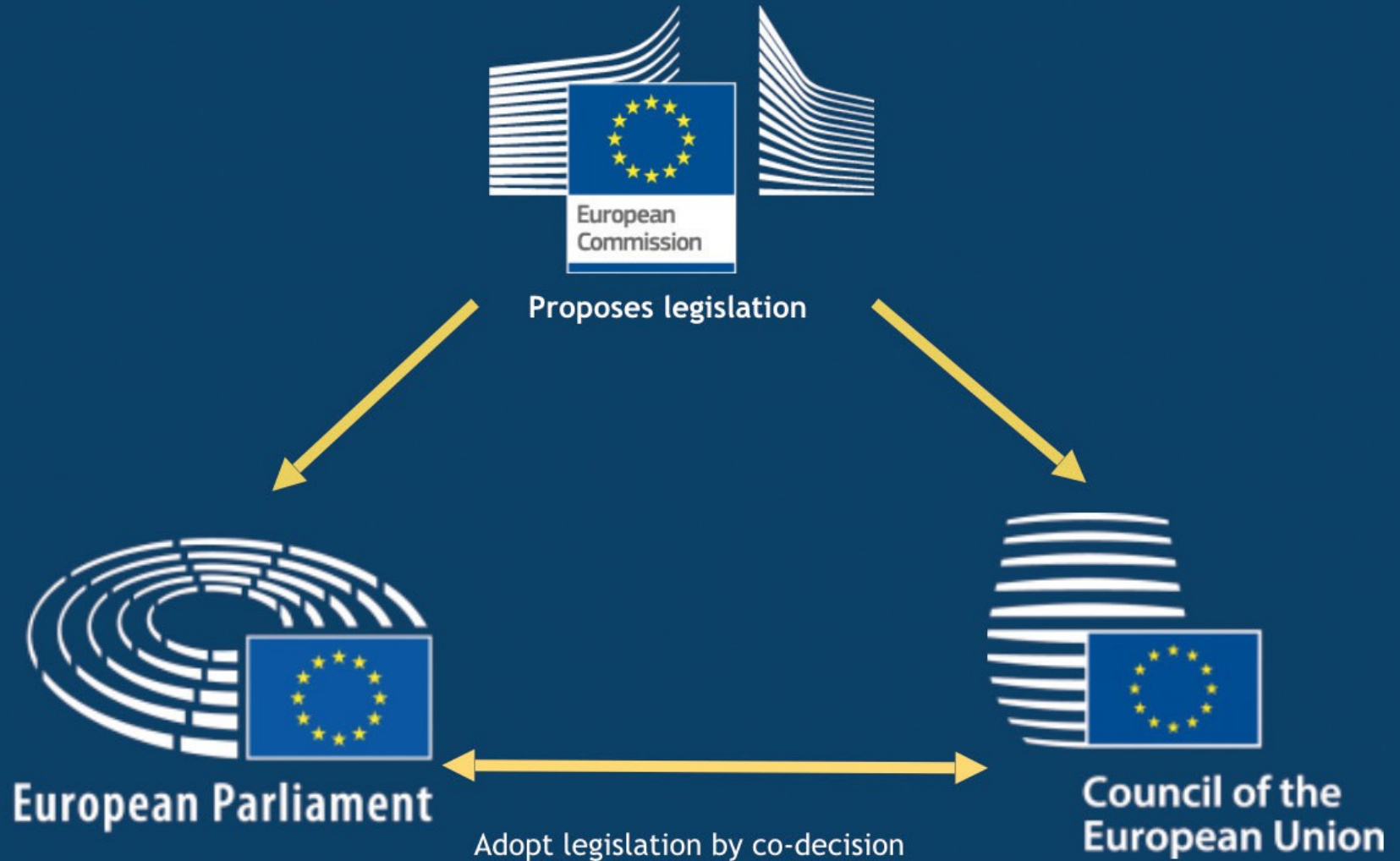


Companies, associations and NGOs spend millions of Euros to try to influence this decision-making process. To understand why, we need to look at the process of decision-making in the EU and what is at stake to justify spending so much money

MEMBER STATES: STOP BOWING TO PRESSURE FROM DESTRUCTIVE INDUSTRY!



The EU Institutional triangle



European Commission.

Non-elected. Responsible for:

Making proposals

Safeguarding existing treaties

Represents the EU (e.g. in Trade Negotiations)

Competition authority



European Council

Member-state representatives (e.g. the Minister of Agriculture from each EU member)

Co-legislator with parliament

Concludes international agreements on behalf of the EU



EU Council pre-Brexit voting distribution

Total: 345. Qualified majority = 255.

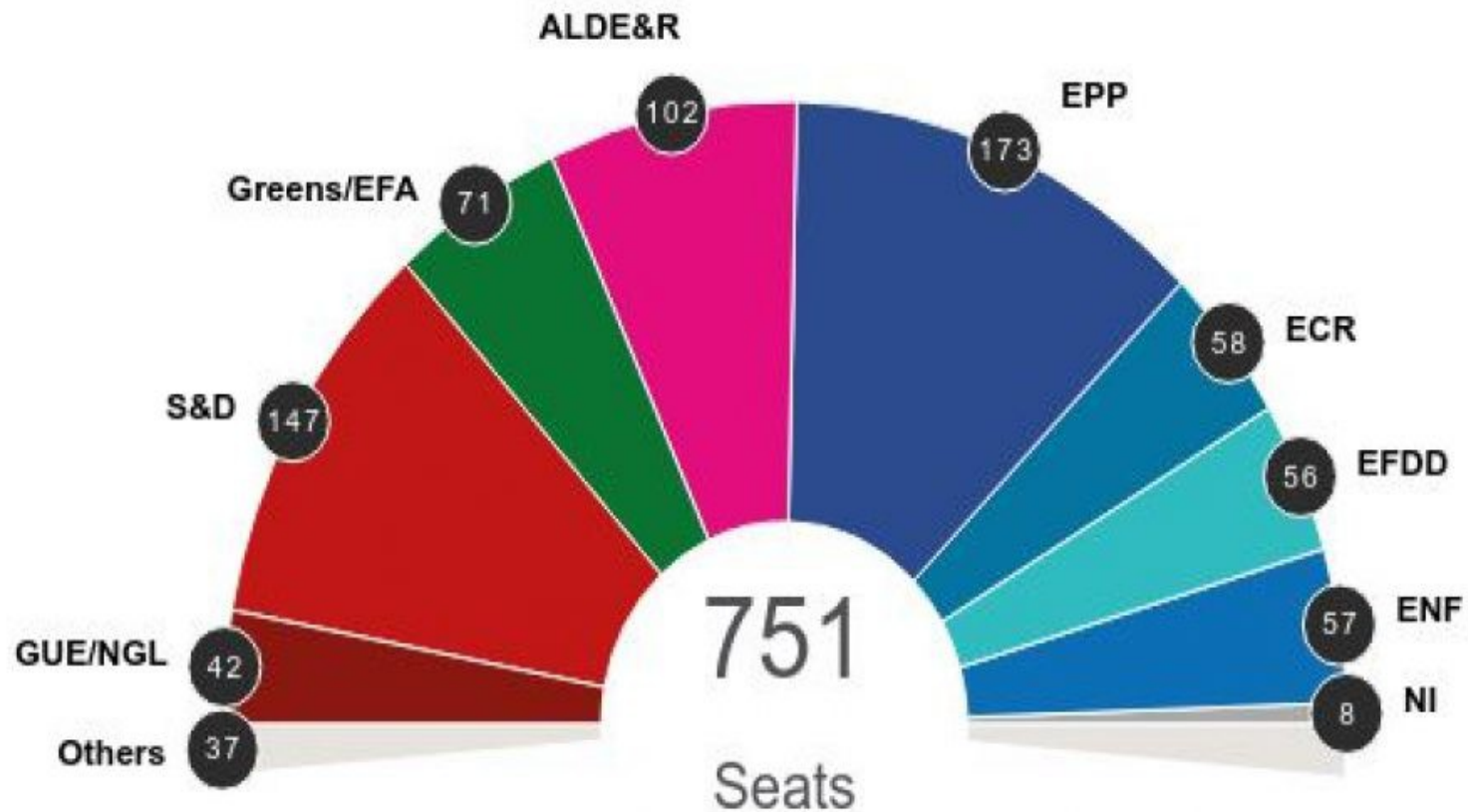
Simple majority = 62% EU population

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EU Parliament by political group

European Parliament: 2019-2024

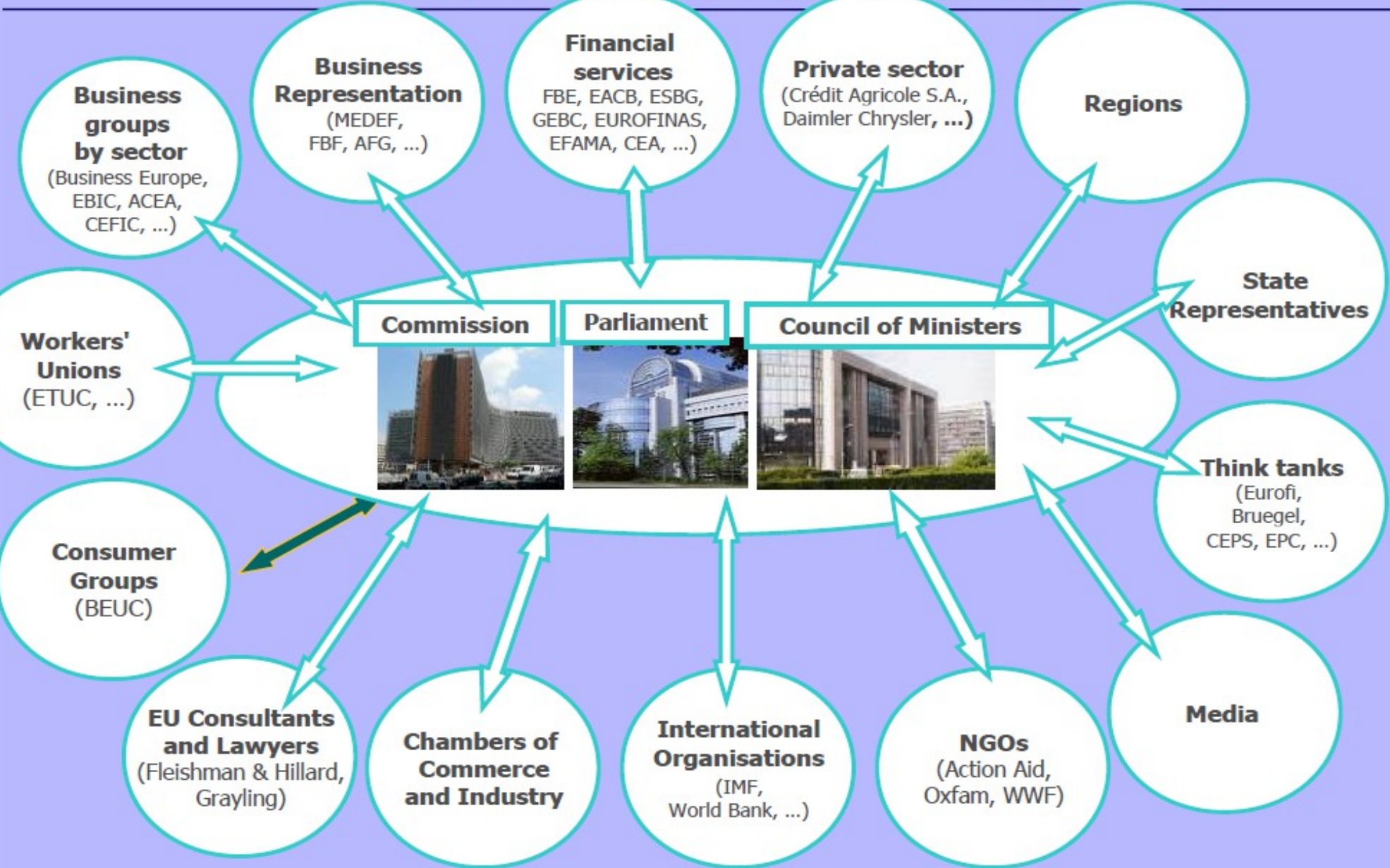
Projection



Development of a proposal

- 1. Draft Proposal from DG responsible*
- 2. Consultation. Other DGs consulted*
- 3. Inspection by Legal Services*
- 4. European Commission College adopts proposal and opens a Commission Working Group*

Brussels: many actors



Interest Groups (advocacy group, lobbying group, public affairs group, pressure group)

Private, Public, Governmental and Regional groups that want to encourage or prevent changes in EU Policy

15,000 lobbyists in Brussels.

Private interest groups: Companies and Associations from Europe and other countries

Public interest groups: Environmental, public health, human rights, animal welfare NGOs

Some smaller groups get EU funding (Action Aid)

Governmental Interest groups

***167 non-EU country embassies try to influence EU
Trade and Aid policies***

***Regional Interest groups (such as Pays de la Loire).
Sometimes they are cross-border.***

Lobbying the Council: National governments and ministries; permanent representations in Brussels

Need to build support around a particular issue

Lobbying the Commission: different DGs (Director General) might have different positions on an issue. You need to influence the Commission during the long drafting and discussion process (24-30 months) as part of a working group, or influencing those within a working group.

Lobbying Parliament: influence different political parties and members of Parliament to vote for or against a particular proposal.

in-house lobbying

You have your own staff in Brussels to carry out lobbying on your behalf.

Association in-house lobbying

You use an association with lobbyists in Brussels to lobby for your interests via the association. Different members of an association might have different interests.

External lobbying

You hire a consultancy agency to carry out lobbying to protect your interests.

You can either pay an annual fee for information and lobbying, or else pay a one-off fee for a special issue that concerns you.

Analysing Lobbying expenditure in Brussels

It is sometimes difficult to assess how much a company is spending in lobbying in Brussels.

In order to lobby, you need to be declared on the Lobbying Transparency Register. In order to enter either the EU Parliament, or EU Commission, you need to have an official status (badge), and be listed as such on the register.

A company might have its offices in Brussels and run in-house lobbying (easy to see how much is spent). It might also use one or more Consultancy companies. In this case, you need to check the clients of each consultancy company to see roughly how much the client is spending. A company might also use one or more associations to lobby. This is more difficult, since the company probably pays a fee to the association, and maybe extra payment for services. The amount spent in lobbying by the association is visible, but the 'comparative' amount by the company can be impossible to find.

National and European lobbying.

A company might also lobby within a country as well as in the European Union. National lobbying is not registered on the EU Lobbying Transparency Register.

For example, Sanofi, a pharmaceutical company, spent over 10m\$ in 2017 in lobbying:

***29m \$ in industrial association fees
2.9m\$ in lobbying the French government
Between 1 and 1.3m€ in EU lobbying.***

It uses 8 consultancy agencies, including Burson Cohn and Wolfe, Edelman, FIPRA international, Fleishman-Hillard, Global Regulatory Communications, Institutions & Stratégies, Science Business International, and Weber Shandwick.

Think Tanks

A 'Think Tank' sounds very academic and 'neutral', but it is not. Who funds a Think Tank and why?

Once you have found the financial source, you have probably found the purpose of the Think Tank.

There are 149 Think Tanks in the EU.

For example, 'Carnegie Europe' spends between 1 to 1.3m€ par year on lobbying in the EU.

Think Tanks carry out research (more and more by non-academics) to provide data and 'academic' documents to support particular positions or visions within the European Union. It is very useful for lobbyists to have academic material and data to support their claims.

See <http://eu.thinktankdirectory.org/>