Greater transparency in EU affairs will strengthen legitimacy

“The public has a right to know” – this is the key message of the Green Paper on a European Transparency Initiative adopted today by the European Commission. The open public consultations which start today launch a debate on lobbying, on the introduction of legal obligations for Member States to publish the information about the beneficiaries of funds under shared management, as well as on the Commission’s consultation practices.

President Barroso said: “We’ll discuss the future of Europe in June. But there is one conclusion we can already draw: we need greater transparency and stronger accountability towards the public if we are to maintain the legitimacy of European decision-making.”

For Vice-President Kallas, “In spending EU funds on programs and projects throughout and outside the Union, the EU institutions are accountable to the taxpayer. With the co-operation of the Member states, we can do much better to show how EU funds are spent. Likewise, lobbying is perfectly legitimate. But as the phenomenon grows, we must ensure there is clarity about who the lobbyists represent, what their mission is and how they are funded. I hope all those who care about the EU will look at the questions asked in this Green Paper and share their views by the end of August.”

How to better promote transparency in the relations between EU institutions and lobbyists.

Concerns have been voiced about lobbying practices which are considered to go beyond legitimate representation of interests. Examples include distorted information provided about the possible economic, social or environmental impact of legislative proposals; mass communication campaigns for or against a given cause; and possible conflicts of interest when options are voiced by those relying on financial support from the EU budget. At the same time, some have seen an excessive influence from corporate lobby groups on European Union decision-making.

The Commission considers that lobbying is a legitimate part of the democratic system. At the same time, certain standards must apply when lobby groups seek to contribute to EU policy development. In particular, it must be clear to the general public which input they provide to the European institutions, who they represent, what their mission is and how they are funded. The Commission is therefore proposing a voluntary registration system, run by the Commission, with clear incentives for lobbyists to register. This system would consist of:
- a web-based voluntary registration system for all lobbyists who wish to be consulted on EU initiatives;
- A common code of conduct for all lobbyists, or at least common minimum requirements, which should be developed by the lobbying profession itself;
- A system of monitoring and sanctions in case of incorrect registration and/or breach of the code of conduct; It would be necessary to create a new, inclusive external watchdog to monitor compliance.

**Offering better information on the benefits of EU funds to the general public**

The European Commission wants to inform better on the use of EU money, notably by explaining better what Europe does and why it matters. The Commission is responsible for implementing the EU budget, and accountable to the taxpayer. Citizens have growing expectations and they regrettably feel that they have relatively limited knowledge about the European Union.

The Commission already provides this information for the EU-funded policies which it manages centrally and directly. In the future, it will do so in a more user-friendly manner. However, a large part of the EU budget (75.7% of the EU budget or €86.6 billion a year) is spent in partnership with the Member States\(^1\). Information on beneficiaries of these Community funds is currently in the hands of each Member State and any disclosures on the subject are left to their discretion. The extent to which information is made public differs significantly.\(^2\)

Citizens often turn to the European Commission for information on the use of the EU budget, if this information is not disclosed at regional or national level. However, the existing legal framework explicitly bars the Commission from publishing information on beneficiaries. The Green Paper therefore asks the question whether it would be desirable to introduce, at Community level, an obligation for Member States to make available information on beneficiaries of EU funds under shared management.

**Who is consulted and what is the result? – Has the Commission followed its own guidelines well?**

The Commission adopted a Communication on the minimum standards for consultation in December 2002\(^3\), in order to create a transparent and coherent general framework for consultation. The minimum standards have been in force since the beginning of 2003. The Commission is therefore seeking the views of stakeholders on whether the Commission applied the general principles and minimum standards for consultation in a satisfactory manner.


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\(^1\) e.g. the common agricultural and fisheries policies, the Structural Funds, the Cohesion Fund and the European Refugees Fund.

\(^2\) In the case of the Common Agricultural Policy for example, information on beneficiaries is being made available in Belgium, Denmark, Estonia, France, Ireland, the Netherlands, Portugal, Spain, Slovenia, Sweden and the UK, ranging from total and direct access to partial access on request.