Influence Abroad: An American Lobbyist in Brussels
Matt Rumsey
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Influence Abroad

This is the first in a series of case studies exploring American influence abroad. The Influence Abroad series aims to explore how large political players in the United States attempt to influence foreign governments through campaign contributions, lobbying, and other activities.

Acknowledgments

This report would not have been possible without the help of a number of individuals and organizations who shared their time, expertise and advice. We would like to thank them here. Daniel Freund and Yannik Bendel at Transparency International were generous with their time and insight as well as their data. We also leaned heavily on IntegrityWatch, their tool that aggregates EU influence data and makes it easier to understand. Vicky Cann at Corporate Europe Observatory provided vital perspective as we began to ask questions. Laurence Cockroft helped confirm some of our initial conclusions and pointed us in new and interesting directions. Helen Darbishire helped us make a number of useful connections.

We would also be remiss to not acknowledge the team behind asktheEU as well as the Access to Documents Team at the EU Commission’s General Secretariat. They made the process of filing a right to information request and receiving documents just about as painless and efficient as can be imagined.

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Introduction

As the European Union has expanded and evolved, Brussels, its de facto capital, has emerged as one of the world’s major hubs for government relations professionals. Just as in Washington, D.C. — the only city with more of them — it is dominated by corporate lobbyists.¹

Many of them come from EU member countries, but they aren’t alone. American interests and corporations are ever-present, with formidable influence even comparable to companies with direct ties to the EU.

The influence industry has likely been sprouting in Brussels for quite some time, but recent changes to the EU’s transparency regime have exposed a wealth of new — if still incomplete — information, with even more likely to come in the next few years.²

That data shows that American companies, as well as consultancies based in the U.S., play a major role in Brussels and hold a sway in Europe that is unmatched by other players in the global economy like China, Japan, India or Brazil.³ Through our research, we have found that this likely isn’t a new phenomenon. In fact, American companies are among the most engaged, professional and long-established lobbying forces in Europe.⁴

American interests occasionally make news for their engagement in European affairs. The data release mentioned above resulted in a number of stories earlier this year, but there hasn’t been an in-depth look at the range of issues American interests try to affect in Brussels and the activities that they engage in to do so. This case study is an attempt to change that.

Of course, we can’t understand how American interests go about influencing EU policy without understanding how that policy is made and how attempts to influence it are tracked. To that end, this case study will start with a brief look at how policy is made in the European Union and how attempts to influence that policy are tracked and then shift focus to examine American activities in Brussels.

Lobbying and the EU Policy Process

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How is EU Policy made?

The European Union’s governance structure is as complex as could be expected from a confederation of 28 nation states with 24 official languages, as many distinct cultures and shared histories that featured regular warfare until 70 years ago. A number of institutions have a hand on the rudder, although for the purposes of this study we will be focusing most closely on the three that play a direct role in the legislative and policymaking process.⁵

1. The European Commission
2. The European Parliament
3. The Council of the European Union

The European Commission (the Commission) is perhaps the most powerful European institution. The Commission is made up of 28 members — one from each member nation — appointed for five-year terms. Its structure is broken down into a number of Directorate-Generals serving executive and administrative functions for specific policy areas or mandated to perform specific functions like collecting statistics or fighting fraud.⁶ The Commission is also “the only institution empowered to initiate legislation,” and nothing gets done without its energy.⁷

That said, the European Parliament (the Parliament) is both the most democratic EU institution and the one with ultimate power to check potential overreach by the Commission. It consists of 751 members directly elected from EU member states for five-year terms. The Parliament works with the Council of the European Union on legislation proposed by the Commission and also has broad oversight powers — including the power to approve, censure and ultimately dismiss the European Commission, although “none of the eight motions of censure brought before Parliament has been adopted.”⁸

The final prong in the EU’s legislative trident is the Council of the European Union (the Council). The Council serves as an upper legislative chamber. Under the normal legislative procedure, also known as “codecision,” the Council works with the Parliament to adapt and adopt policy proposals made by the Commission. “Codecision is used for policy areas where the EU has exclusive or shared competence with the member states”; in certain areas the Council has more power and the Parliament’s role is limited.⁹ It develops the EU’s common foreign and security policy, concludes

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international agreements, adopts the budget and coordinates member states’ policy in areas of economic and finance, education, culture, youth and sport, and employment.\(^{10}\)

The legislative and policymaking powers held by these three institutions make them prime targets for lobbyist influence and some of their processes — like expert groups, discussed in more detail later in this report — provide easy entry for corporate interests. Transparency has not always been a high priority, but in recent years the Commission and Parliament have moved toward more openness about their engagement with outside interests. Unfortunately, the Council has not taken the same steps.

**Lobbying at the EU**

Lobbying at the EU appears to function much like lobbying in other major centers of power. Influencers identify and attempt to persuade key decision-makers on their policy positions and priorities.

A recent report by the Corporate Europe Observatory exposes the various avenues that the pharmaceutical industry takes to influence EU policy.\(^{11}\) The whole report is worth a read, but some highlights illustrate the various ways that organizations and industries work to influence policy at the EU level:

- Companies, trade associations and consultancies that work for them reported at least €40 million in lobbying spending\(^{12}\)
- The industry has a complex communications strategy that has helped create a narrative that is positive towards their interests\(^{13}\)
- Companies and trade associations hire in-house lobbyists to meet with members of the European Parliament and high-level Commission staff. The pharmaceutical industry employed nearly 180 lobbyists in the past year\(^{14}\)
- Companies hire consulting firms to lobby on their behalf, sometimes using this to avoid disclosing information to the lobby register\(^{15}\)
- Companies fund related groups that do not directly promote their interests (think tanks, research organizations, etc.)\(^{16}\)


\(^{12}\) Ibid., 3

\(^{13}\) Ibid., 6

\(^{14}\) Ibid., 9

\(^{15}\) Ibid., 11

\(^{16}\) Ibid., 14
Organizations and their employees participate in Expert Groups that have an overwhelming influence over legislation and other policy.\(^{17}\)

**Lobbying Disclosure at the EU**

In 2011, the Commission and the Parliament teamed up to launch the Transparency Register, designed to track organizations working to influence EU affairs. The register collects information ranging from the number of full-time employees an organization is planning to dedicate to EU lobbying to the broad issues the organization will be working on to the amount they plan to spend in a given year. Organizations are also supposed to register the individual lobbyists who will be working at the Parliament for access badges.\(^{18}\)

Despite being voluntary, more than 8,000 organizations have signed up for the register.\(^{19}\) More recently, the Commission began to require its top officials to publicly report meetings with lobbyists and prevent them from meeting with unregistered lobbyists.\(^{20}\) This is a step toward more transparency, helping observers understand how the major players in Brussels approach their work.

Unfortunately, despite these steps forward, there are still significant problems with the EU’s lobbying disclosure regime. A number of criticisms and suggestions for reform have been levied.

**Criticisms of the disclosure regime**

Despite recent steps towards transparency, the EU has a long way to go before its disclosure regime can be characterized as anywhere close to complete. Only two of the EU governing bodies — the Commission and the Parliament — have any sort of disclosure associated with attempts to influence them. Disclosure at the Parliament is limited to knowing which lobbyists have permanent access, with no granular data about their actual meetings.

The data that does exist has sometimes been found to be lacking. In a recent report, ALTER-EU, a coalition of public interest groups and trade unions concerned with the growing influence of corporate interests in Europe, characterized the relaunched lobby register as “two steps forward, one step back ... While some new organisations have signed up and others have improved the

\(^{17}\) Ibid., 18

\(^{18}\) See, for example, Google’s registration: http://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=03181945560-59


quality of their registrations, too many other entries continue to look problematic: confusing, unclear, inconsistent or just down-right dodgy.”

More recently, Transparency International EU (TI EU) filed over 4,000 complaints related to filings that are lacking in detail, contain unbelievable figures or are just plain incomplete. These complaints make it clear that the register needs more oversight and more buy in from the lobbying community to be truly useful.

And yet, the fact that TI EU was able to confidently file their complaints at all represents a step forward. The transparency register has only been around since 2011 and, until its website was updated early in 2015, there were no regular reviews of submissions. These recent steps forward are certainly welcome, but the lack of any historical data makes it difficult to understand longer term trends.

Finally, the transparency tools themselves aren’t optimal. They’re difficult to search and are spread between various EU offices. Luckily, Civil Society Organizations (CSOs) have stepped up to create tools that allow for better understanding of the data than those provided by the EU institutions. They aggregate disparate datasets, provide robust search functions, create understandable visualizations and generally make it easier to get the most out of the data. In addition to interviews with European stakeholders, we relied heavily on two of these tools for our analysis of American influence at the EU.

Tools
IntegrityWatch

Integrity Watch is a project of Transparency International’s EU office. It is “a user-friendly interactive database that provides” access to information about lobbying meetings with the European Commission, organizations registered in the EU Transparency Register and members of the European Parliament. The tool pulls together “data that is often scattered and difficult to access” and makes it easier to understand through useful sorting functions and visualizations. Its

structure facilitates an easy understanding of major players in Brussels as well as more in-depth knowledge around their activities.

**LobbyFacts**

LobbyFacts is the result of a partnership between Corporate Europe Observatory, LobbyControl and Friends of the Earth Europe. LobbyFacts takes EU Transparency Register data and presents it in a manner that aims to make it easier for users to compare, order and analyse the data, as well as “expose the inaccuracies and lack of information in the current register.”

LobbyFacts also publishes its own data analysis, which has been invaluable to this research.

**Other tools and resources**

We relied most heavily on Integrity Watch and Lobby Facts for our analysis, but there are plenty of other useful tools and resources that help track influence and legislative action, both in Brussels and around the European Union. They include LobbyPlag and ParlTrack.

**American Influence in Brussels**

It is easy to assume that American interests would work to exert influence in Brussels. It is also an easy assumption to confirm by digging into the available data and talking to experts familiar with the EU influence industry.

Name a policy area being debated in Europe — tech, tobacco, trade, the list goes on — and Americans will show up as major players in the discussion. More generally, American interests are by far the most significant non-EU voices and have a larger presence in Brussels than all but the major European economies overall.

American companies have a long history of lobbying at home that may have allowed them to confidently become major players in Brussels. While discussing EU lobbying, Daniel Freund, a policy officer for EU integrity at Transparency International, noted that American companies were early adopters in Brussels and may have a more “professional” approach than many European organizations. This approach, he noted, could also be considered more “aggressive ... and strategic.”

A quick analysis of IntegrityWatch makes this clear. Organizations registered in the United States have had more meetings with members of the European Commission since the end of December 2014 than all but seven other countries. All of these other countries represent major EU economies

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29 Daniel Freund.
— including Belgium, where many organizations, American ones included, register regardless of their real national origin.\textsuperscript{30}

It should be noted here that a broad loophole exists that could allow a company to obscure their true national origin in disclosures to the EU. It is possible for a company to list its address in Brussels without ever indicating its U.S. base. It was made clear that this may be a problem when the Secretariat-General, replying to our request for information about complaints filed against American companies, indicated that it only searched companies who listed a headquarters in the U.S. and could not guarantee that this would be comprehensive.\textsuperscript{31}

Digging into the data paints an even starker picture of the U.S.’ presence in Europe. In terms of meetings held with the Commission, organizations registered in the United States or directly representing U.S. interests took five of the top 25, seven of the top 50, and 14 of the top 100 spots since reporting started last December. Meanwhile, only one Chinese group cracked the top 100, and India, Japan, Brazil, Russia and other major non-EU nations went unrepresented entirely.\textsuperscript{32}

American organizations weigh in on a wide range of topics in Europe. Particularly active are technology companies and the financial services industry. A number of American NGOs — ranging from Human Rights Watch to the Center for Democracy and Technology — exert influence in EU affairs as well.\textsuperscript{33}

Corporate Lobbying

LobbyFacts has taken its own look at the data twice in the past year in order to identify the 10 biggest spending corporate interests in European politics. Unsurprisingly, these lists were dominated by American companies.

When the group first did the analysis last September, Philip Morris, coming off several years of lobbying over the recently finalized Tobacco Products Directive, took the top spot.\textsuperscript{34} Also in the top 10 were ExxonMobil, Microsoft and General Electric.\textsuperscript{35} When the group checked back in earlier this year, Philip Morris had dropped off the list, only to be replaced by Google and the European

\textsuperscript{32} Integrity Watch, “EU Lobbyists”.
\textsuperscript{33} Ibid.
\textsuperscript{35} Ibid.
subsidiary of Dow Chemical, headquartered in Michigan. Meanwhile, Exxon jumped to the top spot while Microsoft and General Electric held strong.\textsuperscript{36}

Recent data from IntegrityWatch unveils a slightly different leader board, but leaves no doubt that American companies are spending huge sums to influence European Policy. At least 14 American tied organizations reported over €1,00,000 in spending during the second half of 2014 and first half of 2015. They were led by Microsoft and Google at €4.25 million and €3.5 million respectively. \textsuperscript{37}

\textsuperscript{36} Ibid.
\textsuperscript{37} IntegrityWatch, “EU Lobbyists”.

Sources: www.integritywatch.eu
Americans don’t dominate quite so much when it comes to meetings with high-level Commission officials since the beginning of 2015, but Google and General Electric still manage to take two of the top three spots. Eight other American organizations reported 10 or more meetings in the first half of 2015. They are Microsoft, IBM, BlackRock, the Institute of International Finance, Apple, Goldman Sachs, the Pew Charitable Trusts, and AT&T. The American Chamber of Commerce to the EU, which will be discussed in detail later in this report, has held 22 meetings this year.

It should be noted that not every major player in the Brussels influence game is a corporate interest. NGOs — like the World Wildlife Fund, Greenpeace and Amnesty International — do plenty of work in the capital, but overall their influence is dwarfed by those of big business. Analysis by Integrity Watch, “EU Lobbyists”.

38 Integrity Watch, “EU Lobbyists”.
Friends of the Earth Europe found that corporate lobbyists accounted for “71 percent of all meetings between Dec. 1, 2014, and June 1, 2015.”

Expert Groups

Expert groups play a highly influential role in the early stages of EU policymaking. The groups help draft and provide comments on legislation covering the full spectrum of policy issues and draw membership from outside the halls of government. A report by the ALTER-EU coalition describes their influence:

“The composition of the Expert Groups, and the interests that are represented, will to a large degree determine the outcome of the consultation. The input provided by such Expert Groups often forms the backbone of the Commission’s proposals and through a process that often involves very little change, eventually become adopted as European legislation.”

According to Laurence Cockroft, an expert on global corruption and transparency, these “so called special committees are really key” to many corporate lobbying strategies since so much legislation emerges from them in close to final form.

There are currently at least 760 active Expert Groups weighing in on all areas of EU policy. They have sway over the EU's ultimate stance on issues ranging from agriculture to taxation and from climate change to financial services.

A number of studies have found Expert Groups have a significant bias towards corporate interests while public interest organizations are severely underrepresented. This can lead to problematic policy outcomes “given that the final reports of Expert Groups often form the backbone of the Commission’s legislative proposals,” which in turn often lead directly to final policy.

The unbalanced nature of Expert Groups along with the significant weaknesses of associated transparency efforts have led the European Parliament to force the Commission to institute

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39 POLITICO EU, “The EU’s lobbying Full Monty”.
structural reforms to the way Expert Groups work and report. Twice this decade the Parliament has frozen budgets until the Commission agreed to come to the table.\(^\text{45}\) Despite this action, real reform has yet to happen, leading the European Ombudsman to undertake her own investigation and call “for more transparency as well as structural measures to ensure groups are more balanced.”\(^\text{46}\)

Expert Groups are one of the most powerful — and often opaque — vehicles for interest groups to influence EU policy. While there are well publicized problems with transparency around participation in these groups, it is obvious that some American companies take advantage of them.

It is difficult to search systematically for Expert Group participation, and disclosures to the Transparency Register are not always complete. Organizations are supposed to list their expert group participation in their submissions to the lobby register, but there is no easy way to verify the accuracy of that information.

Despite these drawbacks, we were able to find evidence of robust Expert Group participation among American organizations, particularly among well-established technology companies. Microsoft, IBM and Cisco Systems all report membership in multiple Expert Groups, focused on relevant policy areas including spectrum, cloud computing, patents and more.\(^\text{47}\)

Meanwhile, the American Chamber of Commerce to the European Union — which will be discussed further below — participates in Expert Groups on policies areas including agriculture, trade, technology, tax and more.\(^\text{48}\)


\(^\text{47}\) Disclosure around expert groups is distributed in a way that requires searching individual company entries in the Transparency Register and identifying group participation. It is difficult or impossible to find a list of groups or individuals that participate in a given expert group. In this case we had to read through the entries from a range of American organizations to find Microsoft (http://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=0801162959-21) IBM (http://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=7721359944-96) and Cisco’s (http://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=494613715191-85) expert group participation.

Consultancies

Just as in Washington, many companies rely on well connected consultancies to represent their interests in Brussels. Consultancies either based in or with strong ties to the U.S. are major players, especially in the EU parliament. Just four consultancies that are either based in the United States or are subsidiaries of U.S. organizations hold 142 European Parliament badges, employ 103 lobbyists and have a declared lobbying budget of €15.5 million per year.49

49 Integrity Watch, http://www.integritywatch.eu/.
Major consultancies tend to pull clients from a number of countries, but American interests use them as much as anyone else. A quick look at the top five consultancies (by number of Parliament badges) and their major American clients shows that consultancies are retained by many of the major American influencers as well as a number of organizations that have smaller direct presences in Brussels.

Fleishman-Hillard

Fleishman-Hillard is “one of the world’s leading communications firms” and a major player in Brussels. The U.S.-based consultancy has 70 staffers in Brussels, many of whom are registered for access to the Parliament, and a budget of more than €6 million. Its list of U.S.-based clients includes major corporations such as JP Morgan, ExxonMobil, Morgan Stanley, General Electric, McGraw-Hill, Apple, Nike and more. They also have a significant contract with Monsanto’s European subsidiary. According to its entry in the Transparency Register, the company provides “standard public affairs professional services, including monitoring, policy analysis, strategy development, contact programmes” and more for their clients.50

Kreab Gavin Anderson

Kreab, based in Sweden, “is a strategic communications consultancy specialised in corporate and financial communications and public affairs.” They have locations in over 25 countries and are a major presence in Brussels, with more than 30 lobbyists registered to access the parliament and an annual budget well over €3 million. The firm focuses on helping its “clients to understand and influence EU decision making.” Those clients include American organizations like Emerson Electric, MasterCard, Arizona Chemical and Citibank.51

Burson-Marsteller

Burson-Marsteller is based in New York, but has operations in 110 countries— including a strong European network that is based in Brussels. The Brussels office has a budget of €5 million with around 30 lobbyists. It has a range of American clients including ExxonMobil, Eli Lilly, 3M, Pfizer, Westinghouse, Genzyme and the University of Pittsburgh Medical Center. Burson-Marsteller also represent Dow Corning Europe. Its entry in the Transparency Register makes a point of highlighting their status as “a founding member of EPACA, the European Public Affairs Consultancies’ Association, where [it] helped shape the EPACA code of conduct, the aim of which is to promote the highest levels of professional conduct in the EU public affairs profession.”52

52 EU Transparency Register, “Registration of Burson-Marsteller”, EU Transparency Register, Updated November 6, 2015,
FTI Consulting Belgium

FTI Consulting is a K Street mainstay who moved into Brussels in 2008 by absorbing Blueprint Partners, “an independent, creative start-up.” They now have close to 30 lobbyists and a €2 million budget to provide its “clients both public affairs and strategic communications advice and implementation.” The firm’s American clients include Halliburton, Facebook, MasterCard, Prudential, Noble Energy, the Bill and Melinda Gates Foundation and Google.53

G Plus Ltd

G Plus Ltd is a U.K.-based firm that specializes in “political and regulatory risk, advocacy, reputation building and litigation communications. The EU operation has close to 30 lobbyists and a budget of more than €3 million. It has a number of American clients including Archer-Daniels-Midland, NBC Universal, Qualcomm, Avis, Hertz, Equifax and Chiquita.54

Trade Groups

American Chamber of Commerce to the European Union

Despite being registered in Belgium, the American Chamber of Commerce to the European Union is one of the strongest voices advocating for American interests in Brussels. It has been called “the most effective lobbying force in town” and works on behalf of 140 American companies with operations in Europe.55 That membership list is not easy to find, but its board and policy committee features representatives from Oracle, Intel, IBM, Coca-Cola, UPS, Cisco, GE, JPMorgan, 3M, United Technologies, Caterpillar, AT&T and more.56 Its entry in the Transparency Register provides some hints as to the full extent of their membership, listing interest areas ranging from climate action and energy to information society and sport.57

They have eight lobbyists registered to access Parliament, have reported 22 meetings with the Commission this year, and have an annual budget of just around €1 million.

53 EU Transparency Register, “Registration of FTI Consulting Belgium”, EU Transparency Register, Updated September 22, 2015,
57 EU Transparency Register, “Registration of the American Chamber of Commerce to the European Union”.
Other Trade Organizations

The American Chamber of Commerce to the European Union has wide ranging interests and members, but a number of more focused American trade organizations are also active in Brussels. These include the Motion Picture Association, the Computer and Communications Industry Association, the Managed Funds Association, The US Dairy Export Council and more.58 These organizations tend to be less active than consultancies, corporate offices or a major player like the American Chamber of Commerce to the EU, but they still represent an important slice of the larger picture.

NGOs

As noted earlier, not all American players directly represent corporate interests. While they tend to have much smaller budgets and fewer lobbyists, some American NGOs, like some of the smaller trade organizations, manage to be energetic participants in the EU policymaking process. Some of the most active American NGOs include The Pew Charitable Trusts, Human Rights Watch, the Center for Democracy and Technology, the Bill and Melinda Gates Foundation and the Humane Society.59

Complaints

All of this data is useful, but it is, at best, an incomplete picture of the presence of American influence in the EU. Issues with data quality and completeness in the Transparency Register and other disclosure avenues ensure that some American organizations are underreporting their influence. Recent actions have shed significant light on some of the scofflaws.

Luckily, there is an avenue to at least try to address these problems. Interested parties can file complaints with the Secretariat of the Transparency Register about individual registrants/registrations. As mentioned previously, Transparency International EU recently filed over 4,000 complaints and has already seen some positive results.60

Transparency International EU believes that their complaints will help improve “the overall data quality,” hoping to "get lobby organisations to take the register more seriously and pro-actively provide accurate information."61

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58 IntegrityWatch, “EU Lobbyists”.
59 Ibid.
61 Ibid.
Organizations that are not cooperative with the Commission as they work to resolve complaints run the risk of losing their easy access to Parliament and the Commission. Knowing that external watchdogs are prepared to push complaints should help incentivize organizations to improve the quality of their submissions.

We’re particularly interested in complaints against American organizations, both in the recent flood filed by TI EU and those filed in previous years. To that end, we filed an information request with the Secretariat-General for complaints and alerts filed against U.S. organizations over the past several years. Transparency International EU was also kind enough to share a breakdown of the American organizations that were included in its larger batch.

Our request has only returned two results so far. Since 2011, alerts or complaints against Goldman Sachs and CISCO have been closed; both of which were initiated by ALTER-EU. CISCO immediately responded to the alert against them by updating its registration. Goldman Sachs made some minor changes to its registration, but also fought some aspects of the complaint — in the process highlighting discrepancies in the way that different parties read relevant regulations — and was found to have acted broadly within the bounds of the law.

TI EU’s recent complaints call attention to about 80 more American organizations with questionable filings. These can be broken down into three categories: organizations that appear to have overreported their spending, organizations that didn’t report enough spending and organizations that didn’t share the topics they lobby on.

The vast majority of these organizations — 72 to be precise — reported less than €25,000 in lobbying costs, despite reporting multiple full-time equivalent employees dedicated to lobbying activities. Some of these are small shops that are likely understaffed across the board. Others, however, are large organizations like QVC, Texas Instruments, Tesla Motors and Wal-Mart. They should have the capacity to file accurately.

On the flip side, a few organizations reported spending significantly more on lobbying than could be expected. The Bank of New York Mellon has only half of a full-time employee devoted to lobbying, but reported spending at least €600,000. Even more unlikely, the American College of Greece devotes 75 percent of a full-time position to lobbying, but reported at least €10,000,000 in lobbying costs.

Additionally, a few American organizations didn’t bother to provide information about the initiatives that they are working on at the EU level — responses here ranged from “N/A” to “yes we do.” These organizations ran the gamut from companies to NGOs to trade and academic groups. If properly filled out, the “EU Initiatives” section can shed light on the breadth of issues that a group is interested in and potentially help track the chain of policy change and lobbying activity.

Examples

American interests have had a heavy hand in a number of recent high-profile policy fights in Europe. Lobbying registrations, leaked documents and the hard work of journalists and advocates helps shed light on this influence.

**Tobacco Products Directive**

The Tobacco Products Directive (The Directive), finalized in 2014, is a prime illustration of the way that organizations gear up to exert influence on specific topics. It also happens to prominently feature a company with a heavy American accent: Philip Morris.

The Directive, designed to significantly cut the number of smokers in Europe, faced intense opposition from the tobacco industry. Analysis found that Philip Morris was especially active, quickly ramping up its lobbying spending to try and weaken The Directive. After The Directive was introduced and its opportunities for influence were limited, Philip Morris cut spending significantly.

During this push, the tobacco industry reportedly used a wide array of influence techniques. It deployed “[v]ast numbers of lobbyists, held dozens of secret meetings with policy makers, swamped the commission with biased responses to a public consultation and even sent gifts to help persuade


69 Olivier Hoedeman, LobbyFacts.
MEPs to drop some of the stricter parts of the regulation, such as the insistence on plain cigarette packaging.” Research conducted by a team in the Department for Health at the University of Bath showed that, while not successful in killing the regulation entirely, the massive effort by tobacco lobbyists successfully weakened certain areas of the Directive.

Trade Agreements

Trade agreements are particularly high-value targets for corporate lobbyists. Recently in the United States, negotiations over the Trans-Pacific Partnership attracted corporate attention early and often.

Europe and the United States are currently in negotiation over another major trade agreement, the Transatlantic Trade and Investment Partnership (TTIP). Lobbyists have been active on the deal in the United States and Europe. In the U.S., more than 190 organizations have mentioned TTIP in at least one lobbying report. Meanwhile, in Europe corporate lobbying on TTIP has reportedly been aggressive and overwhelming compared to public interest influence.

Data compiled by the Corporate Europe Observatory shows that American interests have been active on the deal in Europe as well as at home. American organizations that have met with European Commission officials on TTIP since the beginning of 2014 include Ford, the Chamber of Commerce to the United States of America, AT&T, Goldman Sachs and General Electric.

Conclusions

Our interviews indicated that American organizations are particularly sophisticated, perhaps learning lessons from the long history of influence in Washington, D.C. Our research bears out

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these assertions, showing that American organizations are actively influencing EU policy through direct lobbying, participation in trade associations, contracting with independent lobbying and political communications firms, membership in Expert Groups and more. They use all available avenues to push their policy goals and ensure that their strategic messages are heard. American influence comes from many sectors, but is particularly strong in industries that are truly global — technology, trade and finance to name a few.

The EU’s governance structure creates many opportunities for influence and attracts lobbyists like moths to a flame. It should come as no surprise that organizations form the most powerful economy in the world are major players in Brussels.

That said, the system can and should be made more transparent. It is slowly moving in that direction thanks to the efforts of ALTER-EU as well as groups like Transparency International and Corporate Europe Observatory. We are confident that these groups will continue pushing for more oversight, better data and serious buy in from EU and lobbyist stakeholders.