

# ***EU LOBBYING FOR TURKISH BUSINESSES***

**“How to Represent & Defend Your  
Interests in Brussels“**

**4 December 2005**

**Epsilon Conference**

**Russell Patten & Ana Baptista – Grayling Brussels**



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# INTRODUCTION TO BRUSSELS AND THE INSTITUTIONAL LANDSCAPE

Session 1



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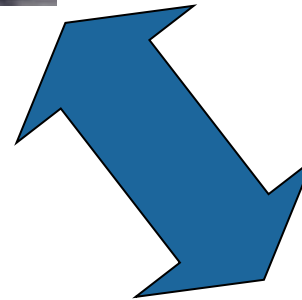
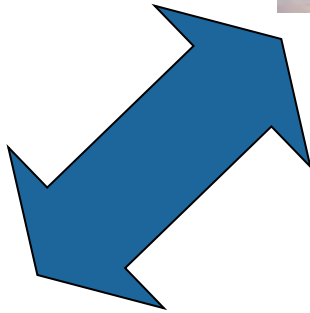
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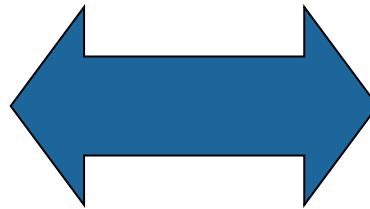
# THE EU INSTITUTIONS



European Parliament



European Commission



Council of Ministers



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# THE DECISION-MAKERS



## Institutions:

- Commission proposes legislation
- Parliament provides weighted opinion (and approves)
- Council of Ministers (Member States) reviews & approves

Each have a key role to play

- Brussels a major political centre - but Member States still are the power base!
- Necessary to speak to all three at all times
- Bureaucratic
- Little homogeneity
- English “de rigueur”





# THE EUROPEAN COMMISSION



- Commission proposes legislation - sole right of Legislative Initiative & the guardian of the Treaties
- 27 Directorates & 25 Commissioners
- Services v Political Cabinets
- Administers & implements policies
- Commission enforces Community law (Jointly with the Court of Justice)
- The Voice of the EU & negotiates international agreements

- Commission develops policy but majority of legislation emanates from national level via industry, NGOs, interest groups & EP pressure
- Increasingly, policy dictated by Member States
- Member States will “use and exploit” EU for national interests





# THE COMMISSION – LOBBY TIPS



- **The earlier the better: during their « thinking » stages & during stakeholder dialogue**
- **Don't just focus on the obvious DG – other DGs & Services can pull strings**
- **Play the technical & the politics: bottom-up & top-down approach**
- **Prepare extremely well your dossier & plan ahead for compromise solutions**
- **Do you have backing from certain Big Member States – Commission needs Member State support**





# THE EUROPEAN PARLIAMENT



- Directly elected every five years
- 732 MEPs - 25 Member States,
- 8 Political Groups (EPP, PSE, Lib)
- 20 Parliamentary Committees
- Many InterGroups
- An Administration
  
- Split time between Brussels, Strasbourg and Constituency/home
  
- Co-legislator in most policy areas, but its powers vary according to policy area

- MEPs are accessible/need good info/very busy/home base politics
- MEPs are receptive to good lobbying
- Complex working systems
- Very political



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# THE EUROPEAN PARLIAMENT



## LOBBY TIPS

- Lobby at the right time – your window of opportunity is often only a matter of weeks
- You have 10 minutes to win over an MEP
- Play the politics – what is in it for them? And who are the key MEPs on the dossier?
- Party Politics - who calls the shots in a political group?
- Political Groups – where is the majority to be found?
- Who are their masters back home?







# COUNCIL OF MINISTERS (THE MEMBER STATES)



- Represents the Member States via Ministers (Council meetings) but also via the Permanent Representatives
- Based in Brussels -- and in the Member States
- Amends and finally adopts proposals – Working groups to COREPER
- UK, FR, GER, IT, SP, POL = large countries – population weighting

- National officials and Ministers in the Council have loyalties to home
- National officials are “invariably“ part of the whole decision-making process from pre-proposal stage to adoption by Ministers
- Most difficult institution to lobby as the Administration is closed/un-transparent/PermReps are the voice of national interests/need to lobby in country





# COUNCIL/MEMBER STATES



## LOBBY TIPS

- Remember that they are involved in the process from start to finish and, hence, can be lobbied at all stages
- Brussels-based representations are only the antenna – home is where the power is and, hence, lobbying in country is imperative
- Big countries – the rest just make up the numbers
- Use Member States to put pressure on the Commission and MEPs





# THE OTHER INSTITUTIONS



They can all contribute practically to EU decision-making by influencing the main institutions

- **The European Court of Justice**
  - Supreme judicial authority
  - Court of 1<sup>st</sup> instance
- **Economic and Social Committee (ECOSOC)**
  - consultative body
- **Committee of the Regions**
  - ensures the representation of local and regional authorities in the decision making process

- **The Court of Auditors**
  - External Control over EU public finances
- **European Central Bank**
  - Central bank of the Euro
- **European Investment Bank**
  - Financing institution of the EU





# THE OPINION FORMERS



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# THE BRUSSELS PRESS CORPS



- Brussels hosts the largest press corps in the world - accredited journalists to the EU Institutions
  - Both national and EU sources of information
  - Journalists have significant influence
- FT, European Voice, Euractiv,  
European Voice, Economist, EU  
Observer, Le Monde...

- Hungry media looking for stories
- Institutions highly sensitive - Institution Spokespersons
- Media can act as a vector for your messages
- Media can be a 3<sup>rd</sup> party advocate
- Editorial not in BXL – hence – national spin





# NGOs



- Huge variety of NGOs in Brussels: handicaps; health; animal; etc
- Particularly active in the fields of environment and consumer protection
- As they represent public interests, NGOs are carefully listened to by decision-makers – some would say ‘open-door’ policy
- Overall, very effective lobbyists
- Often take an anti-business standpoint – leads to misperceptions

- They are some of the best lobbyists!
- Commission and, especially Parliament, calls upon them effectively
- NGOs can be powerful allies during lobbying campaigns
- Beware of ‘fake NGOs’ ruled by companies behind the scenes
- You must dialogue with them!





# THE BUSINESS COMMUNITY

## Companies & Trade Associations



- After Washington, Brussels is the most important place for lobbies in the world
- Major businesses may have an EU public affairs office
- The link with HQ is important and can create a disfunction
- Many are represented through trade associations/confederations
- Many also use consultants/lawyers

- Business Reps can become part of the technical working group level
- Institutional transparency is helping business to dialogue more in the early stages of decision-making
- Associations blamed for “lowest common denominator”
- Business – talking directly!





# THINK-TANKS



- As in the US, think-tanks have a growing importance in the EU
- Excellent source of information for both policy makers and lobbyists
- Some examples:
  - CEPS
  - EPC
  - NERA
  - Friends of Europe

- They are seen less as a vector of lobbying than of information and “thinking”
- Not as effective as in London or Washington







# INTEREST GROUPS



- Proliferation of interests groups establishing themselves in Brussels
- Issue are specific: business/health/religion/cultural...
- After money and influencing policy
- Who do they represent?

- Yet another layer of voices
- Can be pro or con your position
- Can become an ally/3<sup>rd</sup> Party advocate



# THE DECISION-MAKING PROCEDURE

Session 2



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# DECISION-MAKING IN THE EU



- Several different processes according to policy areas
- Seen as complex & intransparent
- Each sees the Commission and the Council fully involved
- Each provides more or less influence to the European Parliament
- Roles and influence of each body changes according to each process

- Lobbying strategies differ between processes
- Importance of timing
- Who has (greatest) influence?
- Know your process!





# CO-DECISION



- Proposal must be agreed upon by both EP and Council (qualified majority)
- Process can take up to 18-24 months...and even longer
- If either body cannot agree on text after 3 readings, act not adopted
- Many horse-trading compromises in Conciliation
- Used for environment, transport, public health, internal market, energy, consumer protection

- A process which goes back and forth
- A process which sees the Commission involved at all times and who can amend/withdraw its proposal until Conciliation
- Council rarely discusses with Parliament in First Reading – dysfunction
- Though a long process, still need to “get in early”





# CONSULTATION



- Between Commission and Council
- EP involved in providing non-binding opinion with amendments
- Commission can approve or reject EP's amendments
- Final decision rests with Council, either by QMV or unanimity
- Used in CAP & Trade (pending Constitution)

- All lobbying tactics to be same
- Though EP marginalised, still necessary to identify Committees and Rapporteurs
- Crucial to identify desk officer in Commission at early stage
- Identify key contacts in all 25 Member States





# COMITOLOGY



- “Behind closed doors”
- Implementation of EU legislation
- Executive powers of the Commission
- Support from national experts
- Minor role for parliament (disapproval)
- Committees chaired by Commission and consist of MS representatives
- Possible reform in the future but more legislation is adopted in Comitology than via the other processes!

- ‘Undemocratic’
- Hard to influence ‘behind closed doors’
- Very technical amendments
- Need to know which form the Committees will take:
  - Consultative
  - Management
  - Advisory





# EFFECTIVE LOBBYING IN THE EU THE COUNCIL & THE MEMBER STATES



## EU decision-making An intergovernmental process?



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# EUROPEAN POLICY MAKING



***“Policy mostly dictated by Member State interests”***

- **Commission develops policy/drafts legislation but:**
    - *Council/Member States provide political mandate*
    - *Member States will “use” EU for national interests*
    - *National level (industry, NGOs & interest groups) wields considerable influence at EU level*
- ➔ **“Majority of EU policy/legislation emanates from the national level” - early lobbying the most effective**







# THE FORMAL DECISION-MAKING PROCESS



*“At all stages, Member States’ influence is crucial“*

- Commission drafts legislation in consultation with Member States & stakeholders
  - Parliament’s opinion - expression of MEPs with a national focus
  - Council’s Common Position – the will of the Member States
  - Conciliation - EU political compromises v. national interest
- ➔ **Overlap - Commission & Council Working Groups = often the same national experts**
- ➔ **Member States represented at every stage of process**



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# THE INFORMAL PROCESS



*“Member States infiltrate indirectly at all levels”*

- **The Perm Reps - national eyes & lobbying submarines**
- **Parliamentarians - the voice of their national party/constituency interest**
- **An impartial Commission ?- the “national” role of Commissioners**
- **Opinion formers - national interests represented in Brussels - 100,000 lobbyists**
- **The Brussels press corps - the voice of national dailies**





# COMITOLOGY



## *“Member States call the shots”*

- Majority of legislation adopted via Comitology - question of transparency
  - A plethora of Committees with undefined membership but Member State-based
  - A question of Commission v. Member States
  - Little Parliamentary involvement
- ➔ Lobbying through Comitology (the voice of Member States) avoids co-decision



# LOBBYING in BRUSSELS: A PRACTICAL PERSPECTIVE

Session 3



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# THE AGE OF



# ACCOUNTABILITY AND TRANSPARENCY

- Decline in consumer trust & cynicism towards authorities & companies
- Companies' fiascos: Bhopal, Coca-Cola, Enron
- Companies under scrutiny by “uncontrolled” & powerful media - Local to global -- the age of the Internet
- The growing influence of NGOs & “the Consumer”
- The Changing Political Landscape - International Regulatory Institutions - the Age of the EU!
- Siim Kallas' Transparency initiative



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# ROLES AND QUALITIES OF A LOBBYIST



**Strategist**

“helicopter view”

**Broker of Solutions**

results orientated

**Guide**

knows the process  
and procedures

**Analyst**

assesses the context,  
objectives, strategy  
and actions

**Networker**  
assesses the stakeholders

**Facilitator**  
Helps you present  
yourself

**Communicator**

develops the  
dialogue





# THE METHODOLOGY



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# THE DIAGNOSTIC – THE NOW



## *WHAT IS THE CURRENT SITUATION - STATUS AND WHY?*

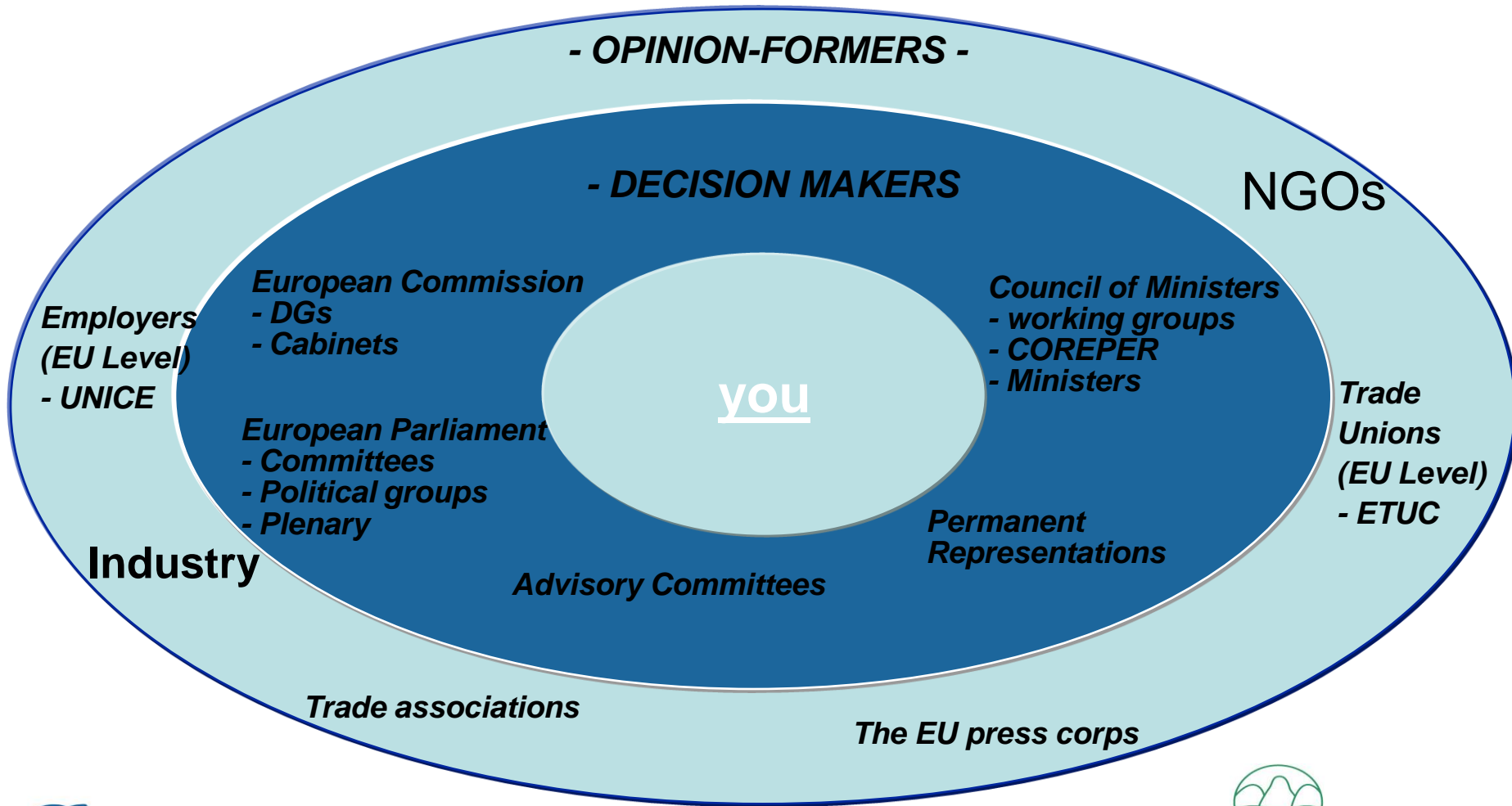
- Regulatory/media environment
- Stakeholders
- SWOT analysis (Strengths, Weaknesses, Opportunities, Threats)







# THE STAKEHOLDERS





# THE SWOT ANALYSIS



## **S**trengths

eg : expert on aviation

## **W**eaknesses

eg : aircraft noise = pollution

## **O**pportunities

eg : shared responsibility  
with engine manufacturers

## **T**hreats

eg : legislation banning certain  
aircrafts or flying at night





# THE OBJECTIVES



## *WHERE DO WE WANT TO BE?*

- Define precisely your objective
- Are your objectives achievable?
- Should you develop some secondary objectives
- Fall back position?





# THE STRATEGY



## HOW ARE YOU GOING TO ACHIEVE YOUR OBJECTIVES?

- **Low or high profile campaign**
- **Direct or indirect company involvement – use of trade association/creation of a coalition**
- **Use of media relations**
- **Coalition-building**
- **Third party advocates**
- **Brussels v Member States**





# COMMUNICATION & ACTIONS



## 2 key parts

1. How you develop your argumentation and how you communicate this to your stakeholders?
2. What are the tools which you should consider using?



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# THE ARGUMENTATION/ MESSAGES



- 1. Development of your Argumentation & Messages**
- 2. Consider the points in your favour and the points against you**
- 3. Different messages for different stakeholders**
- 4. Remember your argumentation/messages have to stand up to public scrutiny...**





# THE ACTIONS



- **Monitoring & Political Intelligence**
- **Development of argumentation: position papers,briefs**
- **Stakeholder Analysis: perception audits**
- **Meetings programme - identification of allies & foes**
- **Regulatory audits**
- **Third Party Advocates**
- **Building coalitions (adhoc/1 Issue/formal)**
- **PR 4 PA - using the media to get your message across/advertorials**
- **Platforms - seminars/conferences**
- **Proposing legislative amendments etc**





# RESOURCES/ TIMING/ EVALUATION



- **What resources do you need ?**
- **Do you need external assistance ?**
- **Have you worked out your timetable ?**
- **Set checks and balances**
- **Measurement criteria**
- **Review progress and next steps**





# CASE STUDIES

Session 4



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# THE CONTEXT



- European legislation on sweeteners
- US food manufacturer – Product manufactured in the US
- Additive authorised for sale in US and in majority of developed countries
- It is legally marketed in two EU MS
- Authorisation requires an amendment of the Sweeteners Directive with Council and Parliament approval
- Commission proposes authorisation for a long list of uses alongside other modifications to the Directive
- Some Member States and some MEPs opposed





# ANALYSIS OF THE SITUATION

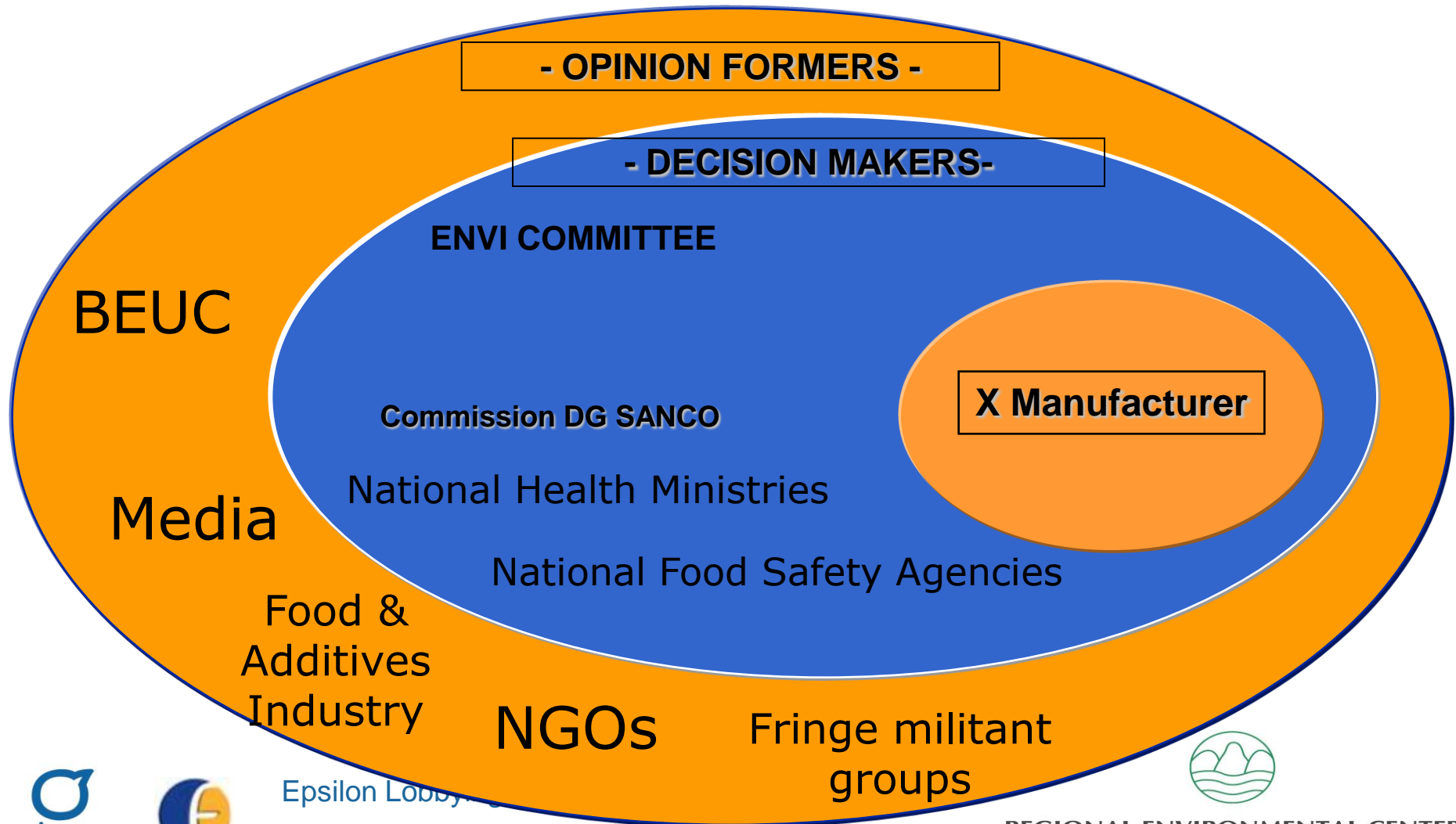


- Commission proposal is almost perfect for the client
- Spillover from the scientific debate on other sweeteners
- Militant groups in the US campaign against the sweetener + Europeans are wary of additives → European debate inevitable (Greens table amendment)
- Success depends on other aspects of the Commission proposal being accepted, including higher limits for other sweeteners in soft drinks
- Minority opposition in Parliament needs to be contained
- Consumer protection should be at the heart of the case but politics take over





# STAKEHOLDERS



# SWOT ANALYSIS

## Strengths

- Solid scientific file
- Many advantages over other sweeteners
- Sweetener already authorised on the market throughout the world
- Commission support
- Food industry support (downstream users)

## Opportunities

- Client attune to political realities
- Several key MS on our side
- MEPs focus on more controversial aspects of the proposal
- No mainstream opposition

## Weaknesses

- American manufacturer
- Political context in favour of Consumer Protection
- Fringe militant groups
- Manufacturing uses chlorine process
- Other aspects in the proposal delay adoption
- Lack of resources

## Threats

- No authorisation or limited usage categories
- Spillover into public debate
- Multi-million \$ business
- Sweetener is serious competitor to established sweeteners
- Parliament has limited technical understanding



# OBJECTIVES



Contain opposition

Ensure rapid adoption

Maintain list of uses as proposed by  
the Commission



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# KEY MESSAGES



1. EU Scientific Committee concluded that the sweetener poses no danger for human consumption
2. It is a natural product derived from sugar
3. Societal benefits (prepared foods for diabetics)
4. Commission support
5. No scientific reasons to ban it

Note: no communication on comparative benefits vs. other sweeteners



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# STRATEGY



1. Total cooperation with Commission
2. Access to scientific dossier
3. Parallel lobbying in UK and Ireland
4. COALITION with other manufacturers and customers
5. Address technical criticisms
6. LOW PROFILE – avoid the media – communicate with selected MEPs only
7. Develop a position based on scientific arguments and benefits of the product
8. Isolate the Greens







# ACTIONS - TOOLS



1. All written communications from coalition to show actual customer demand and confidence
2. Soft lobbying of key MEPs in the Conservative, Liberal and Socialist groups (no mass mailing)
3. Regular contact with Rapporteur
4. Communication of Q&A/"idiot's guide" to sucralose summarising scientific arguments
5. Approached BEUC but were not interfering





# OUTCOME



## Use of the sweetener accepted by Parliament and authorised all across Europe

1. Greens' amendment was branded as a political move with little scientific basis
2. Key MEPs expressed open support for the sweetener
3. MEPs were distracted by other more controversial aspects of the proposal
4. Decision opened up a multi-million \$ market for the client



# CASE STUDIES

Session 4



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# THE CONTEXT



- Greenhouse gases and Climate Change
- EU legislation proposed to reduce the use of greenhouse gases such as HFCs used in fridges and air conditioning
- Manufacturer of a gas to use in firefighting equipment which can replace HFCs
- EU legislation opportunity to promote the new gas
- New gas is the perfect alternative to HFCs in firefighting equipment – it is non-toxic and hardly contributes to Climate Change





# ANALYSIS OF THE SITUATION

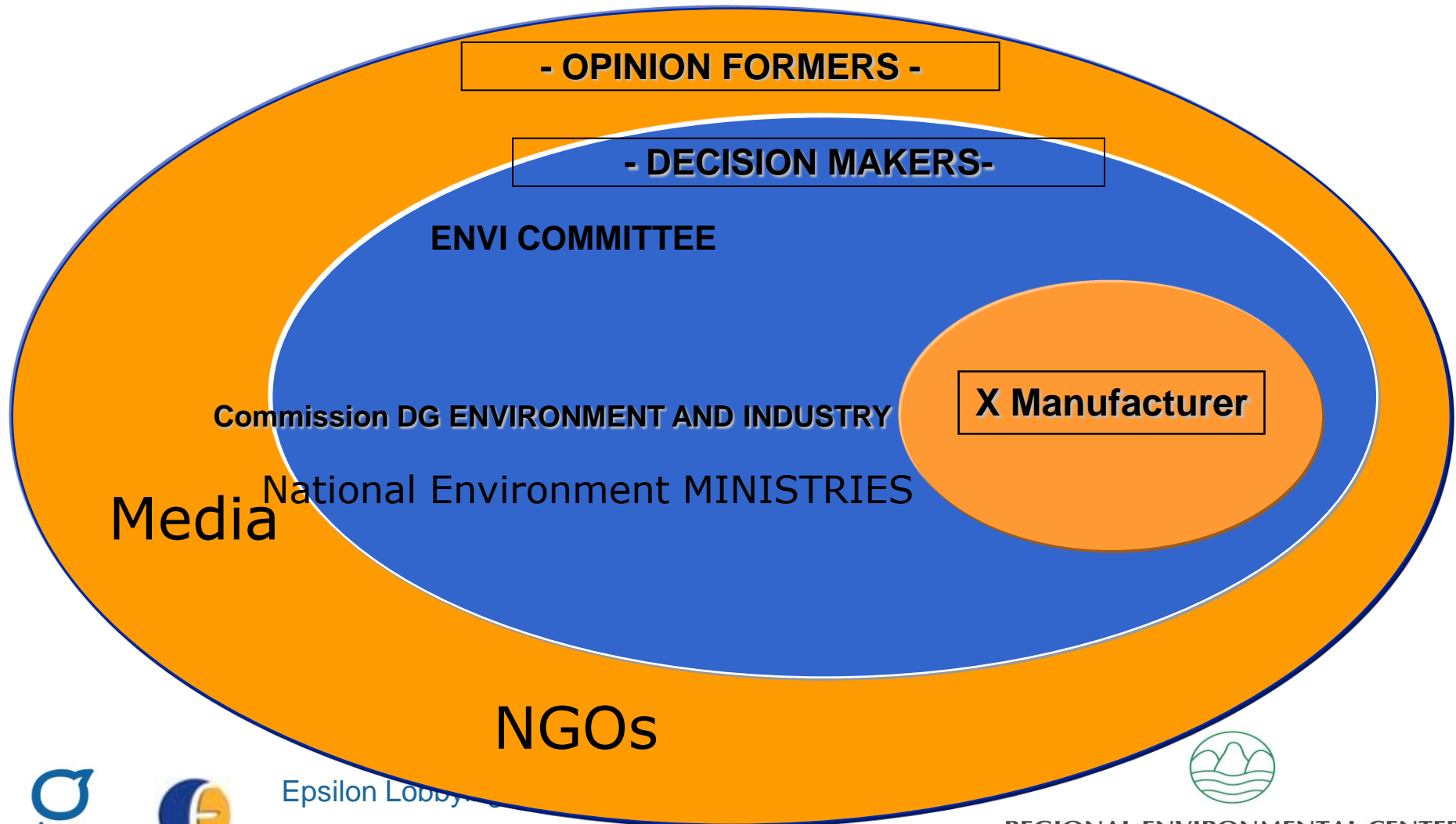


- In 1<sup>st</sup> round of negotiations, no positive outcome
- Now in 2<sup>nd</sup> round - try again – pro-green Rapporteur
- Legislation in Parliament – we see their support for the new gas on the basis that it is environmentally friendly, an alternative to HFCs
- Parliament very open
- Council – already made a deal and therefore are not keen to change things





# STAKEHOLDERS





# SWOT ANALYSIS



## Strengths

- True alternative to HFCs
- Scientifically sound
- Manufacturing can start in Belgium

## Opportunities

- The legislation opens doors for the use of alternatives
- Parliament in favour of alternatives
- General pro-environment push



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## Weaknesses

- Nobody knows about it
- No real track record in Europe
- Is it really a clean alternative?
- Does the Fire fighting industry want it?

## Threats

- It costs more than HFCs
- Fire fighting industry not supportive on grounds of cost
- Member States do not want to open the debate on new alternatives



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# OBJECTIVES



1. Ensure Parliament adopts an opinion which stipulates alternatives to be used in fire fighting equipment
2. Ensure parliament pushes for the use of alternatives



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# KEY MESSAGES



1. Gas X is safe, environmentally-friendly
2. A perfect alternative to HFCs in certain applications
3. Legislation must promote HFC reduction by promoting alternatives
4. Fire fighting equipment must be a sector where alternatives should be used
5. Manufacturer with an environmentally safe alternative





# STRATEGY



1. Persuade Parliament to support us and table amendments to promote the use of alternatives in fire fighting equipment
2. Obtain support of the European Commission
3. Obtain the support of key Member States
4. Promote the need to support alternatives as a means to reduce Climate Change
5. Demonstrate practicality of our gas
6. Low key – no media
7. Factual and scientific





# ACTIONS - TOOLS



1. Detailed position paper
2. Face to face meetings with rigorous scientific evidence
3. Dialogue with all key stakeholders to generate knowledge and interest
4. Worked closely with Parliament Rapporteur and key MEPs and their staff
5. Ongoing political intelligence and monitoring
6. Lobbied several supportive Member States to put pressure on MEPs





# OUTCOME



## Parliament adopted Opinion to promote alternatives and in fire fighting equipment

Next steps

Council of Ministers



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