

Shell's registration [submitted 27th July 2010]

Registration number: 69545381134-55

Complaints about breaches of the code of conduct - Clause(s) you think has/have been breached:

Ensure that, to the best of their knowledge, information which they provide is unbiased, complete, up-to-date and not misleading

Which information do you think is incorrect and why?

In the European Commission's register of interests, Royal Dutch Shell (Shell) declares spending of 400,000-450,000 Euro for lobbying activities in the EU. Friends of the Earth Europe (FoEE) believes this information to be incorrect and not an accurate assessment of Shell's lobbying activities in the EU. The credibility of the register is undermined if lobby groups' budgets for interest representation are not realistic. To understand how Shell's lobby budget was calculated, FoEE wrote to Shell on 25th May 2010 requesting information. To date, Shell has not answered. We question the accuracy of Shell's lobby budget for the following reasons:

- According to the 2009 figures of CNN/Fortune, Shell is Europe's biggest company with revenues up to 458 billion US dollars in 2008 (http://money.cnn.com/magazines/fortune/global500/2009/full_list/). A large number of EU policy areas are highly relevant to Shell and it is to be expected that the company is intensely involved in lobbying in Brussels, which is indeed the case. However numerous other lobby groups, including non-government organisations report significantly higher lobby budgets than Shell. This makes it unlikely that the numbers reported by Shell reflect an accurate and comprehensive picture.
- In addition to its own in-house lobbyists (Shell holds two permanent access passes to the European Parliament), Shell uses various lobbying channels. It is a member of influential professional associations such as CEFIC, EUROPIA, CONCAWE, OGP, BUSINESSEUROPE, the ERT and the ICC. All of these employ individual lobbyists who are paid to represent the interests of member companies, including through meetings in the European Parliament and European Commission, and participation in other types of networking events and publications. Shell is a member of influential think tanks such as Friends of Europe and the Center for European Policy Studies. Both organise events in Brussels on a regular basis thanks to the contributions of their members and Shell has partnered in some events. These events constitute active lobbying in Brussels yet Shell does not disclose its membership fees, nor the costs related to the organisation of joint events in its lobby register entry. It is impossible to find out exactly how much the company spends in membership of third-party organisations, nor how that relates to the calculation of its overall lobby budget and to its lobbying in terms of influence and networking.
- Shell's registration fails to disclose the amounts of money devoted to sponsoring and co-organising events with high-profile media partners such as Euractiv or European Voice which give the company a lot of visibility in Brussels. For instance, it is associated with the European Voice and Euronews for "Comment: Visions", that aims at bringing decision-makers together with industry representatives, scientists etc ... to discuss climate and

environment issues in Brussels, an activity that can be qualified as interest representation. However, Shell's lobby registration does not mention anything about this activity.

- When compared to competitors in the same industry sector, serious doubts are raised about the accuracy of Shell's registration. Shell and BP (the two largest EU-based companies) both declare spending 400,000-450,000 Euro for lobbying in the EU. In comparison, ENI (a much smaller oil company) declares spending 671,000 Euro on lobbying, while Statoil (which is smaller than ENI and number 17 on the Fortune list) declares spending 700,000-750,000 Euro. Shell and BP are more involved and visible in interest representation towards the EU institutions than ENI and Statoil.

For the reasons above FoEE believes Shell's EU lobby budget is underestimated.

[3,874 with spaces]

BP registration:

Identification number in the register: **3394026642-58**

Complaints about breaches of the code of conduct - Clause(s) you think has/have been breached:

Ensure that, to the best of their knowledge, information which they provide is unbiased, complete, up-to-date and not misleading

Which information do you think is incorrect and why?

In the European Commission's register, British Petroleum (BP) declares spending 400,000-450,000 Euro for lobbying in the EU. Friends of the Earth Europe (FoEE) believes this information to be incorrect and not an accurate assessment of BP's lobbying activities in the EU. The credibility of the register is undermined if lobby groups' budgets for interest representation are not realistic. To understand how BP's lobby budget was calculated, FoEE wrote to BP on 25th May 2010 requesting information. To date, BP has not answered. We question the accuracy of BP's lobby budget for the following reasons:

- According to the 2009 figures of CNN/Fortune, BP is Europe's second biggest company with revenues up to 367 billion US dollars in 2008 (http://money.cnn.com/magazines/fortune/global500/2009/full_list/). A large number of EU policy areas are highly relevant for BP and it is to be expected that the company is intensely involved in lobbying in Brussels, which is indeed the case. Yet, numerous other lobby groups, including non-government organisations report significantly higher lobby budgets than BP. That makes it unlikely that the numbers reported by BP reflect an accurate and comprehensive picture.

- BP is very present in Brussels. Its office is located at Rond Point Schuman in the European neighbourhood. It employs its own in-house lobbyists (it holds 4 access badges to the European Parliament, 3 of which are permanent). Although BP acknowledges using various lobby channels, its registration does not include payments to third parties (think tanks or professional associations), arguing that these bodies should and will register their costs.

FoEE believes that these costs should be disclosed to give a full overview of the BP' lobbying and should be included in BP's registration, especially since the company mentions its membership of these organisations in its registration. BP's membership of professional associations includes EUROPIA, CONCAWE, OGP, CEFIC, BUSINESSEUROPE, ERT and EABC. All these groups hire individual lobbyists to represent the interests of member companies through meetings with European officials, high profile events and publications. BP contributes to the activities of influential think tanks, including Friends of Europe, the Center for European Policy Studies, the European Policy Centre and Bruegel, which organise events in Brussels regularly thanks to the contributions of their members, and in partnership with members for specific issues. The membership fees can be as high as 30,000 Euro. BP's registration fails to explain how much of its lobby budget is devoted to memberships, to the organisation of joint events, how memberships to lobby organisations relate to the company's own lobbying, and how their overall lobby budget is being calculated.

- When compared to competitors in the same industry sector, serious doubts are raised about the accuracy of BP's registration. Shell and BP (the two largest EU-based companies) both declare spending of 400,000-450,000 Euro on lobbying in the EU. Comparatively, ENI (a much smaller oil company) declares spending 671,000 Euro on lobbying while Statoil (which is smaller than ENI and number 17 on the Fortune list) declares spending 700,000-750,000 Euro. Shell and BP are more involved and visible in interest representation towards the EU institutions than ENI and Statoil.

- BP's lobbying expenditure appears especially low compared to its lobbying budget in the US. In 2008, its budget was 17 times higher in the US (where it declared 10,450,000 dollars, or around 8,100,775 Euro) than in the EU. Since BP is EU-based and its main markets are located in Europe, this raises questions about the validity of the figures declared in the Commission's register.

For the reasons above FoEE believes BP's EU lobby budget is underestimated.

[3,965 with spaces]