

Whose views count?

Business influence and the European Commission's High Level Groups

REPORT | FRIENDS OF THE EARTH EUROPE



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Friends of the Earth Europe

Friends of the Earth Europe campaigns for sustainable and just societies and for the protection of the environment, unites more than 30 national organisations with thousands of local groups and is part of the world's largest grassroots environmental network, Friends of the Earth International.

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Executive Summary

0

This report examines the composition and legitimacy of groups set up to advise the European Commission.

In recent years, the European Commission has increasingly turned to “Expert Groups” for advice on policy making. These groups, set up by the Commission, are usually made up of public officials, academics and non-governmental representatives, often from the business sector. As such, they have attracted criticism over their lack of democratic legitimacy.

The European Commission is a central driver of European policy and as such holds considerable power. The input provided by Expert Groups often forms the basis for Commission proposals, many of which are later adopted as legislation.¹

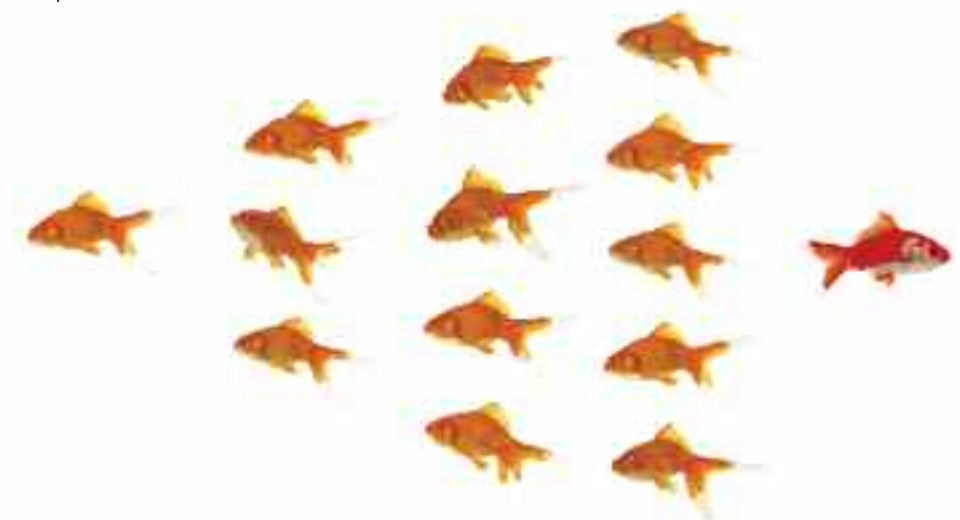
To ensure this power is used in the public interest, the Commission is bound by written principles and minimum standards when consulting interested parties. These state that the Commission must consult those affected or likely to be affected by the policy on an equal basis, taking account of wider impacts, such as environmental impacts and consumer policy.

This report focuses on those Expert Groups known as the “High Level Groups”. It looks specifically at the seven High Level Groups (HLGs) established by the Directorate General (DG) for Enterprise and Industry under Commissioner Günter Verheugen and considers the transparency and membership of these groups and asks whether they are acting in the public interest.

It also questions whether these groups play a useful role in helping DG Enterprise and Industry fulfil its mandate - which includes applying the “principles of sustainable development” to all its work.

Transparency

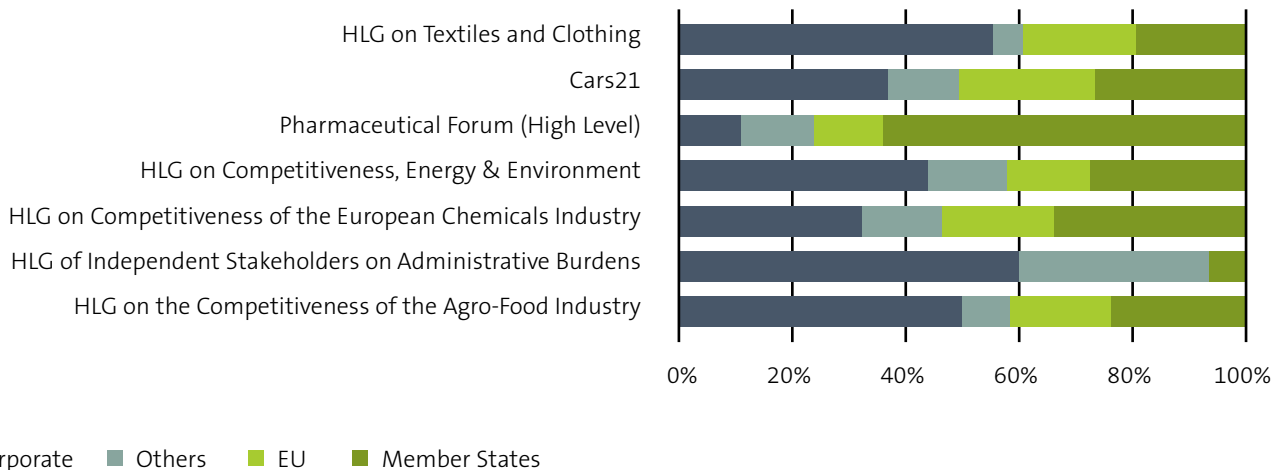
The report finds that there are inconsistent levels of information available about the groups although levels of transparency have generally improved for the more recently formed groups. Details of membership were available for all of the groups with the exception of the Pharmaceutical Forum, where only the organisations and not the individuals involved were named. Reports were available for all the groups, while minutes were published online for only some of them.



¹ Between 1986 and 1995, 80% of the Commission proposals got adopted – Simon Hix, ‘The political system of the European Union’, Palgrave 1999, p. 60

Executive Summary

Membership



Membership

The composition of the majority of groups examined was found to be skewed to the benefit of industry. Membership of two of the seven groups examined was found to be corporate controlled (more than half of all its members are industry representatives) and four other groups were considered to be unbalanced in favour of industry (industry representatives make up more than 50% of the non-government members), raising serious questions about their democratic legitimacy.

In both the HLG on Textiles & Clothing and the HLG on Administrative Burdens more than half of all members represented business interests, effectively giving them corporate control.

More than half of the non-governmental members in the groups on Cars21, Competitiveness, Energy and the Environment, Competitiveness of the Chemicals Industry and Competitiveness of the Agro-Food industry, came from business.

Membership of the Pharmaceutical Forum appeared slightly more balanced, but concerns were raised about the links to industry of the only civil society organisation represented.

As a result of criticism of the HLGs, the European Parliament had refused to participate in any HLG established since February 2006, saying that they were undermining the independence of the EU institutions. However, the most recently established HLG (Agro-Food Industry) was joined by an MEP from the European People's Party.

Bias in policy recommendations

Of the seven groups, four have finalised their work with policy recommendations - the HLGs on Textiles and Clothing, CARS 21, Competitiveness, Energy and the Environment and the Pharmaceutical Forum.

Of these, the reports on Textiles and Clothing and CARS 21 clearly reflect an industry agenda. Both areas raise contentious social and environmental issues, but the recommendations follow a market-oriented approach, watering down or disregarding standards in the name of competitiveness.

The recommendations made by the Pharmaceutical Forum, which looked at issues on information and pricing, also suggest the dominance of industry in some areas, with calls for a relaxation in the restrictions on the way information is provided by drug companies, despite clear opposition from public health groups.

The recommendations made by the HLG on Competitiveness, Energy and the Environment, which looked at controversial issues concerning power generation, emissions trading and climate change, also reflect the industry bias within the group with a clear emphasis on technological solutions, but there is also some support for emission reduction targets, perhaps as a result of public pressure on climate change.

The work of the HLG on Competitiveness of the European Chemicals Industry is due to complete in 2009. Early indications suggest that there is not much room for debating the impacts of the chemical industry on people and environment, but that non-industry voices are being listened to. It remains to be seen whether they will permeate the final recommendations. The work agenda for the HLG on Agro-Food offers little opportunity for environmental issues to be discussed. The first progress report indicates that GMOs are taking centre stage to the benefit of industry, despite years of public opposition.

Overall, the recommendations and progress reports of the HLGs are geared primarily towards improving the competitiveness of European industry at the expense of environmental objectives.

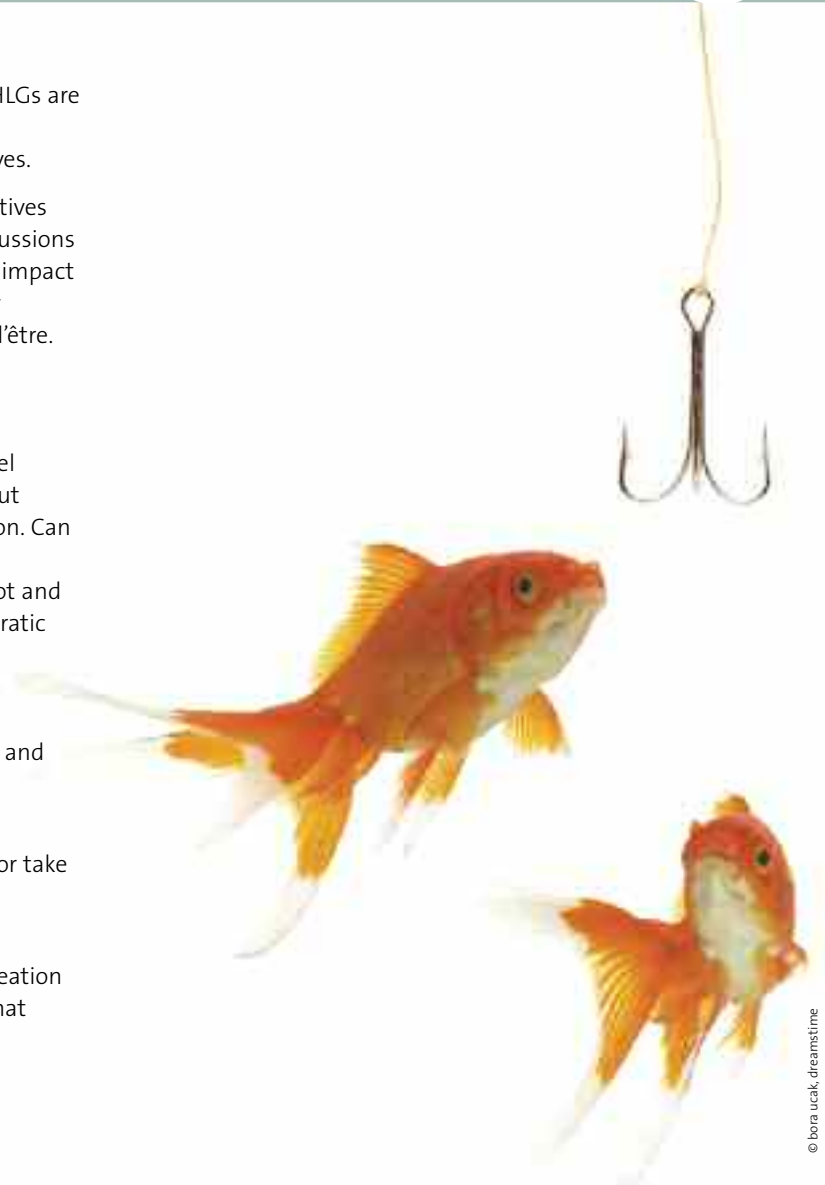
There is some evidence that where non-industry representatives are given a voice, they can have a significant impact on discussions within the group. However, this appears to have an adverse impact on the work of the group, with the suggestion that industry representatives lose interest and the group loses its *raison d'être*.

Legitimacy of the High Level Groups

Given the industry bias uncovered in both the way High Level Groups are established and in the recommendations they put forward, serious questions are raised about their contribution. Can such groups be the right place to formulate important and controversial policies? This report concludes that they cannot and calls on the new Commission to find more open and democratic ways of consulting stakeholders.

It also recommends that the current Commission:

- > discloses all active groups, including membership (names and organisations) and documents (reports and minutes) in a comprehensive register
- > dissolves groups that are controlled by industry interests or take steps to ensure a more balanced representation
- > does not set up any new High Level Groups, or any other advisory group, until transparent mechanisms for their creation have been established, including clear and solid criteria that guarantee equitable consultation of all stakeholders.



Introduction

In the last few years, there has been a growing trend for the European Commission to establish expert groups which have a mandate to advise on policy-making. Since 2000, the total number of expert groups has increased by more than 40%.² At the same time, doubts have arisen as to their democratic legitimacy - especially because of the veil of secrecy that surrounds these groups and concerns about their composition. While some groups are made up entirely of public officials and academics from the member states, many of these groups also include non-governmental representatives primarily from the business sector. Indeed privileged access for business seems to have become institutionalised in many of the expert groups, with industry representatives all too often occupying most of the seats granted to non-governmental players.³

This report takes a closer look at a special type of these groups, the so-called “High Level Groups”. Several Directorate Generals (DG) within the Commission have established High Level Groups, but the Directorate General for Enterprise and Industry under German Commissioner Günter Verheugen stands out as it has set up seven of these groups with non-governmental members.

That the High Level Groups set up by a DG with a portfolio for enterprise and industry includes business representatives is not surprising. However, several of these High Level Groups have been criticised for being unbalanced in favour of business interests. This fact alone merits a closer look since the European Commission is obliged to act in the public interest and must therefore consult all external stakeholders on an equal basis. The Commission’s general principles and minimum standards for consultation of interested parties lays down the principle of equitable consultation (see Box 1).

General principles and minimum standards for consultation of interested parties⁴

Section B: Consultation target groups

For consultation to be equitable, the Commission should ensure adequate coverage of the following parties in a consultation process:

- › those affected by the policy
- › those who will be involved in implementation of the policy, or
- › bodies that have stated objectives giving them a direct interest in the policy.

In determining the relevant parties for consultation, the Commission should take into account the following elements as well:

- › the wider impact of the policy on other policy areas, e.g. environmental interests or consumer policy
- › the need for specific experience, expertise or technical knowledge, where applicable
- › the need to involve non-organised interests, where appropriate
- › the track record of participants in previous consultations
- › the need for a proper balance, where relevant, between the representatives of:
 - › social and economic bodies
 - › large and small organisations or companies
 - › wider constituencies (e.g. churches and religious communities) and specific target groups (e.g. women, the elderly, the unemployed, or ethnic minorities)
 - › organisations in the European Union and those in non-member countries (e.g. in the candidate or developing countries or in countries that are major trading partners of the European Union).

The *White Paper on European Governance*⁵ proposes opening up the policymaking process to get more people and organisations involved in shaping and delivering EU policy. The White Paper promotes greater openness, accountability and responsibility for all those involved. The Commission underlines its intention to “reduce the risk of the policymakers just listening to one side of the argument or of particular groups getting privileged access [...]”. The importance of involving civil society organisations in consultation processes is explicitly stressed.

2 Secrecy and corporate dominance – a study on the composition and transparency of European Commission Expert Groups. ALTER-EU 2008.

http://www.foeeurope.org/corporates/pdf/Expert_Groups_Report_March2008.pdf

3 How many groups exactly exist, and how many involve actors other than governmental, remains unclear as long as the European Commission does not publish a complete and up-to-date list of these groups and their composition. The Commission’s register of expert groups currently lists more than 1000 groups, but the exact number is likely to be far higher. Apart from being neither complete nor up-to-date, the register also mostly fails to provide the names of the individual members and the organisations they represent. (Secrecy and corporate dominance – a study on the composition and transparency of European Commission Expert Groups. ALTER-EU 2008. http://www.foeeurope.org/corporates/pdf/Expert_Groups_Report_March2008.pdf). A promise by the Commission to publish a list of individual experts who sit on the groups has yet to be fulfilled.

4 http://eur-lex.europa.eu/LexUriServ/site/en/com/2002/com2002_0704en01.pdf.

5 http://eur-lex.europa.eu/LexUriServ/site/en/com/2001/com2001_0428en01.pdf

Additionally, the question arises as to whether these High Level Groups actually help DG Enterprise and Industry fulfil its mandate. The website of DG Enterprise and Industry⁶ states that “EU institutions must now apply the principles of sustainable development to their work. **Environmental concerns are therefore woven into the definition and implementation of all Community policies and activities**”, in accordance with the Treaty’s provision that “**Environmental protection requirements must be integrated into the definition and implementation of the Community policies and activities [...]**”⁷. DG Enterprise and Industry’s website further states that “The challenge for policy-makers is to find the right balance between the EU’s many environmental, economic and social priorities. That includes trying to draft policies to improve the EU’s industrial, economic and commercial competitiveness, **while giving due consideration to the planet’s future prospects**”.

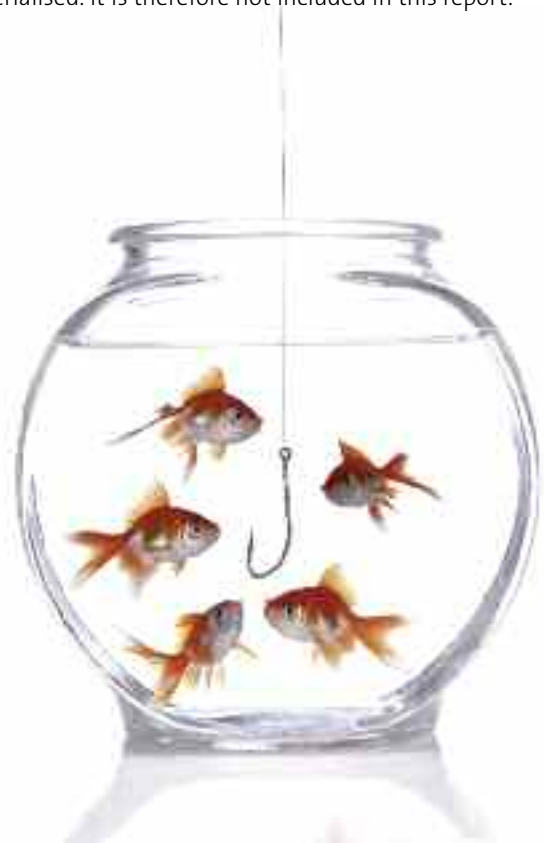
This clearly shows which direction DG Enterprise and Industry policies should take. However, if the advice it takes is biased in favour of industry interests, it is questionable whether the policy proposals are developed with the necessary expertise and objectiveness. Isn’t it more likely that the reports and recommendations of these groups naturally reflect the industry-bias by focusing on competitiveness and profit to the detriment of environmental and social sustainability?

This report investigates the composition and mandate of the High Level Groups set up by DG Enterprise and Industry, and analyses the reports and conclusions of these groups. Are the recommendations indeed neglecting environmental and social concerns in the name of competitiveness and growth, to the benefit of profit? Have High Level Groups been a successful forum for developing policy recommendations? Have they facilitated or hindered DG Enterprise and Industry to live up to its mandate?

DG Enterprise and Industry has established seven High Level Groups during the term of Commissioner Verheugen⁸:

- > High Level Group on Textiles and Clothing
- > CARS 21
- > Pharmaceutical Forum (High Level)
- > High Level Group on Competitiveness, Energy and Environment
- > High Level Group on Competitiveness of the European Chemicals Industry
- > High Level Group of Independent Stakeholders on Administrative Burdens
- > High Level Group on the Competitiveness of the Agro-Food Industry

A High Level Group on the Defence Industry was also envisaged within the framework of the 2005 Communication on industrial policy to examine issues such as the transfer of defence goods, procurement and standardization in the defence area⁹. According to information from the Commission, although a working (sherpa) group was set up and held two meetings to prepare a roundtable discussion between Commissioner Verheugen and a group of defence industrialists, the High Level Group itself never materialised. It is therefore not included in this report.



⁶ http://ec.europa.eu/enterprise/environment/index_en.htm

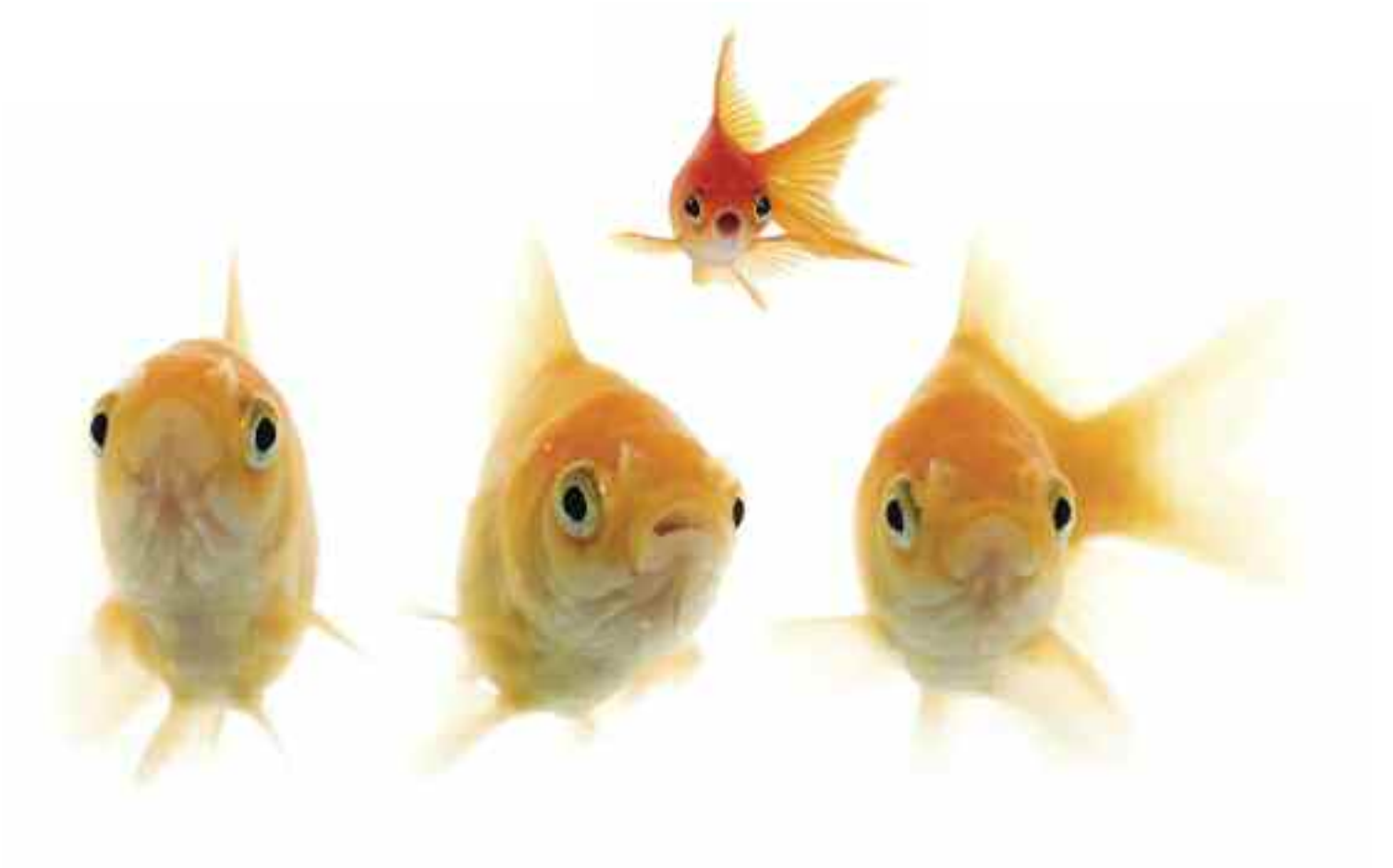
⁷ Art. 6, Treaty on European Union and of the Treaty establishing the European Community, consolidated version December 2006, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2006:321E:0001:0331:EN:pdf>

⁸ These are the groups we know about, either because they appear in the Commission’s register of expert groups at <http://ec.europa.eu/transparency/regexpert/search.cfm> or because they have issued reports and recommendations, or are mentioned on websites. The Commission’s register of expert groups has been proven (cf. e.g. “Secrecy and corporate dominance” - an ALTER-EU study on composition and transparency of European Commission Expert Groups) to not always be complete and up-to-date. This doesn’t necessarily mean that there are other groups, but it is possible.

⁹ http://ec.europa.eu/enterprise/enterprise_policy/industry/com_2005/com_2005_474_en.pdf

High Level Groups

2



2.1. High Level Group on Textiles and Clothing

This chapter analyses the composition and recommendations of the seven High Level Groups which have worked or are still working under the auspices of DG Enterprise and Industry during the term of Commissioner Verheugen (since 22 October 2004).

For the purpose of this report, a High Level Group is described as “controlled by corporate interests” if more than half of all its members (including governments) are industry representatives; it is called ‘unbalanced in favour of industry’ if industry representatives make up more than 50% of the non-government members. This assessment is based on the actual members of the group and not the so-called “sherpa” sub-groups, which assist the High Level Groups in their debates and advise and prepare draft reports for the HLG meetings. Since each member of the HLG nominates his/her sherpa individually, the ratio of “industry” to “non-industry” remains the same in the sherpa group.

2.1. High Level Group on Textiles and Clothing

The High Level Group on Textiles and Clothing was set up in February 2004 under the previous Commissioner Erkki Liikanen, but the main part of its work took place during Commissioner Verheugen’s term.

This group was mandated to come up with concrete proposals and recommendations to improve the competitiveness of the European textiles and clothing industry. The group was set up following the Commission’s Communication of 29 October 2003 on “The future of the textiles and clothing sector in the enlarged EU”¹⁰ and issued a first report in June 2004¹¹. The Commission responded on 13 October 2004 with a Communication on “Textiles and clothing after 2005 – recommendations of the High Level Group on Textiles and Clothing”¹². The Group continued monitoring and discussing developments during 2005-2006. They met for the fifth and last time to conclude their work on 18 September 2006 when they endorsed a progress report on the implementation of the 2004 recommendations and “unfinished business” and agreed on a set of new recommendations.¹³

Website:

http://ec.europa.eu/enterprise/textile/high_level_group.htm

Composition: This group was clearly corporate controlled. Out of a total of 31 members, 17 represented industry and business, while only 12 represented national government or regional interests. The only other non-government members came from a trade union, while environmental and consumer concerns were not represented at all.

Governmental participants: 12

- *Four European Commissioners:* Enterprise and Industry; Trade, Science and Research; Employment, Social Affairs and Equal Opportunities
- *Two Members of European Parliament (PSE, EPP)*
- *Five Member State representatives:* French Minister-Delegate of Industry, German State Secretary, Greek Minister of Development, Italian Minister of Economic Development, Portuguese Minister of Economy

- *One Regional Representative:* European Textile Collectivities Association (ACTE: more than 70 local and regional administrations from six countries within the European Union and Croatia)

Non-governmental participants: 19

- *Seventeen industry and business representatives:* Spanish, Greek, Polish, Irish, Italian, German, Dutch, Turkish and Belgian textile industry; two representatives from EURATEX (European Apparel and Textile Organisation – ‘voice’ of the European textile and clothing industry); three retailer associations
- *Two representatives from a trade union:* European Textile and Clothing Federation

Issues: Research & development, innovation, education, training and employment, trade issues, intellectual property rights and related trade aspects, regional policy, competitiveness.

Transparency: Membership disclosure (names and organisations)¹⁴, partial document disclosure (reports & agendas but no minutes)¹⁵.

Assessment: The Group’s final report describes their work: “The Commission has been developing, together with industry, measures to improve the business environment and to facilitate structural change in order to revive the textiles and clothes industry”¹⁶. The report sets out a vision of the future for textile and clothing sector until 2020, calling for the sector to become leaner and more productive, and to dedicate a greater proportion of its turnover to exports. Competitiveness, trade, market access, access to finance, innovative technologies, business models, intellectual property rights and research and development dominate the discourse throughout the policy recommendation papers.

Since there has been no NGO input whatsoever, it is not surprising that the approach of the group has been strictly market-oriented. Environmental issues are only mentioned in relation to energy prices and the impact on competitiveness.¹⁷ Environmental and social standards are seen as a constraint on the European textile industry in terms of its international competitiveness, rather than as a value.

The report predicts that consumer awareness about environmental issues and working conditions in the supply chain will increase and therefore sees a greater role for ‘eco textiles’ and corporate social responsibility (CSR) policies in improving competitiveness. Environmental and social issues as seen as challenges that need to be addressed in order to retain and improve competitiveness in response to standards being set in other policy areas as well as increasing consumer awareness.

10 <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2003:0649:FIN:EN:PDF>

11 All reports of the group can be found at:

http://ec.europa.eu/enterprise/textile/hlg_meetings.htm#18%20September%202006

12 <http://ec.europa.eu/enterprise/textile/com2004.htm>

13 All reports of the group can be found at:

http://ec.europa.eu/enterprise/textile/hlg_meetings.htm#18%20September%202006

14 http://ec.europa.eu/enterprise/textile/documents/hlg_members.pdf

15 Reports on http://ec.europa.eu/enterprise/textile/hlg_working_groups.htm

16 <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1207&format=PDF&aged=1&language=EN&guiLanguage=en>

17 Page 13. http://ec.europa.eu/enterprise/textile/documents/hlg_report_18_09_06.pdf

2.2. CARS 21

The report does not put forward any recommendations on how to improve environmental performance or social standards eg. in the supply chain. In its “Vision of the EU textile and clothing industry”, the report highlights the role of CSR with statements such as “It will be the role of all stakeholders to ensure that real efforts to employ workers to produce goods in the textiles and clothing arena under socially and environmentally decent conditions, wherever their place of work, should be applauded”¹⁸. The report also requests that “the Commission pursue its policy to promote and support the establishment and application of minimum social, environmental and ethical rules for manufacturing and trade in all countries”. However, there are no concrete proposals for environmental or social policies in the Group’s recommendations.

Conclusions: The textile and clothing sector supply chains are ridden with ethically dubious practices. Research by many civil society organisations such as the Clean Clothes Campaign¹⁹ or the Centre for Research on Multinational Corporations (SOMO)²⁰ in the past few years have shown that efforts to improve working conditions in the so-called ‘sweat-shops’ along the supply chains urgently need to be increased.

But instead of taking a leading role, the Commission set up an industry-dominated working group to discuss the sector. Although social and environmental issues are mentioned, given the absence of relevant stakeholders from civil society groups, it is not surprising that the discussions focused narrowly on industry interests.

Will this narrow focus be the guiding principle in future High Level Groups as well?

2.2. CARS 21

The CARS 21 (Competitive Automotive Regulatory System for the 21st century) High Level Group was tasked to conduct a comprehensive analysis of the competitiveness of the European car industry. Their objective was “to make recommendations for the short, medium and the long term public policy and regulatory framework for the European automotive industry to enhance global competitiveness and employment while sustaining further progress in safety and environmental performance at a price affordable to the consumer.”²¹

The group met between April and December 2005, when they adopted a final report which put forward a number of recommendations to improve the competitiveness of the European car manufacturing sector.²² This was followed by a stakeholder consultation on the report between 5 and 28 April 2006.²³ In February 2007, the Commission issued a follow-up communication on “A Competitive Automotive Regulatory Framework for the 21st Century”.²⁴

Website: <http://ec.europa.eu/enterprise/automotive/pagesbackground/competitiveness/cars21.htm>

Composition: The composition of the group was unbalanced in favour of industry: out of 10 non-governmental members, seven represented industry (the President of the European Council for Motor Trades and Repairs joined at a later stage, making it eight industry representatives). The only NGO represented was the automobile-fan-club FIA (Fédération Internationale de l’Automobile), which also defended the interests of the automobile industry. The only representation on environmental interests was from the IEEP (Institute for European Environment Policy) think tank. No environmental NGOs or consumer groups were included in the group.²⁵

Governmental participants: 10 (Spain’s Deputy Minister for Industry joined the group at a later stage, making it 11 government participants)

- *Three European Commissioners:* Enterprise & Industry; Transport; Environment
- *Five (later six) Member State representatives:* German Minister for Economy and Technology, UK Secretary of State for Environment, Food and Rural Affairs, French Minister-delegate for Industry, Czech Deputy Prime Minister, Italian Minister for Infrastructure and Transport (and later Spain’s Deputy Minister for Industry)
- *Two Members of the European Parliament* (PSE and EPP, both Joint Chairmen of the Forum for the Automobile and Society)

Non-governmental participants: (the President of the European Council for Motor Trades and Repairs joined at a later stage, making it 11 non-governmental participants)

- *Seven (later eight) from industry:* Renault, Volvo, Ford, Fiat, European Petroleum Industry Association, European Association of Automotive suppliers, European Automobile Manufacturers Association (and the European Council for Motor Trades and Repairs joined later in the process)
- *Three other:* IEEP (Institute for European Environment Policy), EMF (European Metalworker’s Federation), FIA (Fédération Internationale de l’Automobile)

Issues: Better regulation (focus on principles of better regulation and simplification of existing legislation), competitiveness (impacts on competitiveness in areas such as research and development, taxation, trade, intellectual property, competition and transport policy), environment (pollutant emissions, CO₂ emissions, end-of-life vehicles, etc.), road safety (focus on integrated approach to the Community Action Programme on road safety).

18 P. 21 http://ec.europa.eu/enterprise/textile/documents/hlg_report_18_09_06.pdf

19 See <http://www.cleanclothes.org/index.htm>

20 See <http://somo.nl>

21 http://ec.europa.eu/enterprise/automotive/pagesbackground/competitiveness/cars21_finalreport_consultation/index.htm

22 The final report can be found at <http://ec.europa.eu/enterprise/automotive/pagesbackground/competitiveness/cars21finalreport.pdf>

23 The contributions can be found: http://ec.europa.eu/enterprise/automotive/pagesbackground/competitiveness/cars21_finalreport_consultation/contributions.htm

24 <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52007DC0022:EN:NOT>

25 A full members list including names of participants is available at: <http://europa.eu/rabid/pressReleasesAction.do?reference=IP/05/1564&format=HTML&aged=0&language=EN&guiLanguage=en>

2.3. Pharmaceutical Forum (High Level)

2

Transparency: Membership disclosure (names and organisations)²⁶, partial document disclosure (reports but no minutes)²⁷.

Assessment: According to the European Federation for Transport and Environment (T&E, a European umbrella organisation made up of 45 non-governmental organisations working on sustainable transport), the group has simply dismantled or watered down elements of existing strategies, proposing for example an “integrated approach” on CO₂ emissions, whereby the car industry’s own responsibilities to cut emissions are shifted to others. The report enthusiastically calls for the use of agrofuels (called biofuels in the report) despite clear evidence that they are environmentally and socially damaging. A ten-year road-map published in the report contains no new policies to combat the rising level of overall emissions. And the report fails to address a number of difficult issues such as how to quantify the ecological benefits of policies for example. It makes no reference to the precautionary principle and the polluter pays principle as enshrined in the Treaty.²⁸

The European consumers’ organisation (BEUC) welcomed the final report’s conclusion which highlighted the need to improve consumer information via environmental labelling, but at the same time expressed concern that measures proposed by the CARS 21 group were devised to play down the significance of individual car emission values. BEUC also deplored the fact that consumers were not represented on the group, fearing that “the group will be manipulated to be little more than a sounding board for industry special pleading and hostility to various progressive measures to enhance consumer and environmental welfare and to blame everybody except the industry itself for current difficulties [...]”.²⁹ The Commission carried out a public consultation on the CARS21 final report before issuing a follow-up communication (which it had not done in the case of the High Level Group on Textiles and Clothing). But the time given for responses was effectively only 16 working days and took place during the Easter holidays. Umbrella organisations such as T&E and ANEC (European Association for the Coordination of Consumer Representation in Standardisation) objected that they did not get the chance to give their member organisations adequate information about the HLG findings, giving members little time to express their approval or disapproval on specific outcomes. T&E said that “neither the level of detail nor the level of consultation of our members is up to normal standards. It also implies that the commission should therefore not consider a low number of responses from the environmental community as “silent approval” of the CARS21 final report.”³⁰

Conclusions: The report clearly reflects the one-sided approach of the group, which lent markedly in favour of the industry sector. The absence of environmental NGOs and genuine consumer groups led to a lack of specific expertise, which was reflected in the policy proposals. The recommendations are geared primarily towards improving the competitiveness of the European car industry at the expense of environmental objectives. The group recommended, for example, that stricter environmental policies should come from the UN, instead of the EU. Given the current lack of UN action in this area, this would allow the European car industry to continue polluting as usual.

The group’s discussions appear to be simply a self-congratulatory exercise for the car industry. With regards to environmental policies, the report says for example that “The industry has been a key partner in continued efforts to reduce greenhouse gas emissions from the transport sector. The signing of the voluntary agreement between the automotive industry and the European Commission to reduce new car CO₂ emissions to 140 grams per kilometre in 2008, the EU objective for 2012 being 120 grams per kilometer, is testimony to this”. However, at the time the report was issued, it was already clear that the voluntary commitment was failing. Environmental organisations had pointed out that voluntary agreements on CO₂ emissions and other environmental issues were completely inadequate on their own. But the critical voices were shut out of this High Level Group, resulting in a weak report which favoured industry’s interests without proposing the kind of binding reduction targets which are urgently required.

Is the Commission simply providing industry with a sounding board for their delaying tactics?

2.3. Pharmaceutical Forum (High Level)

The aim of the Pharmaceutical Forum is to improve the competitiveness of the pharmaceutical industry and its contribution to social and public health objectives. The main role of the Forum is to provide strategic direction, a political mandate and momentum as well as a platform for discussion on competitiveness and related public health issues.

The Forum was set up as a follow-up to the ‘G10 Medicines’ (High Level Group on Innovation and the Provision of Medicines) which discussed the balance of health objectives and industry competitiveness in Europe.³¹ Three working groups (on information to patients, pricing, and relative effectiveness) formed in 2006, and the first full Forum met and adopted a progress report in September 2006.³² In spring 2007, the Commission organised a public consultation on the work of the Pharmaforum’s Information to Patient Working Group.³³ A second meeting of the Forum took place in June 2007 and another progress report was adopted³⁴. The third and final meeting was held in October 2008, when a set of conclusions and recommendations were adopted.³⁵

26 <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/05/31&format=HTML&aged=0&language=EN&guiLanguage=en>

27 <http://ec.europa.eu/enterprise/automotive/pagesbackground/competitiveness/cars21.htm>

28 Cf. consultation response by T&E: http://www.transportenvironment.org/docs/Publications/2006/2006-04_cars_21_final_report_consultation_response.pdf and http://www.transportenvironment.org/docs/Press/2005/2005_12_12_cars_21_statement.pdf; cf. also Art. 174 in the Treaty on European Union and of the Treaty establishing the European Community, consolidated version December 2006, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2006:321E:0001:0331:EN:pdf>

29 <http://www.euractiv.com/en/transport/eu-carmakers-square-critics-parliament/article-145384> and http://ec.europa.eu/enterprise/automotive/pagesbackground/competitiveness/cars21_finalreport_consultation/beuc.pdf

30 See http://www.transportenvironment.org/docs/Publications/2006/2006-04_cars_21_final_report_consultation_response.pdf

31 <http://ec.europa.eu/enterprise/phabiocom/p2.htm>

32 http://ec.europa.eu/health/ph_overview/other_policies/pharmaceutical/pharma_forum_progress_report062007_en.pdf

33 The consultation website can be found at: http://ec.europa.eu/enterprise/phabiocom/comp_pf_consult_2007.htm

34 http://ec.europa.eu/enterprise/phabiocom/docs/pf_20070626_prog_report.pdf

35 http://ec.europa.eu/pharmaforum/docs/final_conclusions_en.pdf

2.3. Pharmaceutical Forum (High Level)

Website: <http://ec.europa.eu/pharmaforum>

Composition: The High Level Pharmaceutical Forum has more than 40 members, more than half of which are Member State representatives. It is not dominated by the industry or significantly unbalanced in their favour. Out of the 10 non-governmental participants, five represent pharmaceutical and biotech businesses, and five represent non-business interests. However, these other organisations include the European Patients Forum, whose legitimacy has been questioned because of its close ties with industry and its lack of transparency³⁶. There has also been strong criticism of the composition of some of the individual working groups, especially the working group on information to patients (see below).

Governmental participants: 32

- > *Two Commissioners:* Enterprise & Industry, Health & Consumer Protection
- > *Ministers from each of the 27 Member States were invited*
- > *Three Members of European Parliament (ALDE, EPP, PSE)*³⁷

Non-governmental participants: 10

- > *Five representing business:* EFPIA (European Federation of Pharmaceutical Industries & Associations), AESGP (European Self-Medication Industry), EGA (European Generic medicines Association), EuropaBio (European Association for Bioindustries), GIRP (European Association of Full-Line Wholesalers)
- > *Five others:* European Patients Forum (NGO funded by industry), PGEU (Pharmaceutical Group of the European Union representing community pharmacists) CPME (Standing Committee of European Doctors representing all medical doctors in the EU), AIM (Association Internationale de la Mutualité), ESIP (European Social Insurance Platform)

Issues: Relative effectiveness (focusing on increasing the quality and quantity of available data and analysing current assessment processes), pricing and reimbursement (focusing on developing solutions for access, and trade-problems, to ensure timely and equitable access to pharmaceuticals for patients, to enable control of pharmaceuticals expenditure by Member States and to reward valuable innovation that also encourages research & development), information to patients (focusing on cooperation on information to patients about diseases and treatment options; the creation of a public private partnership to examine ways of improving the quality of information to patients).

Transparency: Partial membership disclosure (organisations but no names; members of working groups unclear)³⁸, document disclosure (reports and minutes)³⁹.

Assessment: During a public consultation in spring 2007, several organisations such as the European consumer organisation (BEUC) and Health Action International (HAI) strongly criticized the methods and outcomes of the Information to Patients Working Group. BEUC

said there were major flaws in the structure of the group, that it was the wrong type of forum for such a project, and that the methods were “not appropriate, do not bring added value and are not the way to develop information for patients...It was appointed in a selective manner without transparency or clear criteria, and with a composition that was bound to politicize the issues under discussion.”⁴⁰

In June 2007, the Association Internationale de la Mutualité (AIM) and the European Social Insurance Platform (ESIP) issued a position statement expressing their dissatisfaction with the HLGs way of working and substance. They objected to the use of the word “partnership” to describe the procedures followed so far in the working group. It read: “ESIP and AIM still have concerns about the lack of transparency of the processes, procedure and methodologies in the Forum, in particular the Working Group on information to patients.” The statement also indicated that suggestions put forward by ESIP and AIM were not being taken into consideration in the information process and debate: “ESIP and AIM strongly regret that their constructive proposals made during this process, in particular the request for a survey for existing patient information practices and the use of an EU quality label to identify high quality information, have not been taken up for further discussion”.⁴¹

A major contentious issue in the Information to Patients Working Group was a proposal to weaken the ban on direct-to-consumer advertising of prescription drugs. BEUC, HAI, AIM and ESIP objected that their concerns over the conflicts of interest for pharmaceutical companies providing information for patients between independent information and product marketing were not taken seriously. They argued that public health interests should not be mixed or even over-ridden by commercial interests – ie. information to patients should not come directly from those who produce medicines because the main goal of pharmaceutical companies is to maximise sales. Similarly, the Pharmaceutical Group of the European Union (PGEU) argued that health professionals, including pharmacists and doctors, should remain the primary source of easily accessible and reliable information about medicines, and that the pharmaceutical industry should not be given more scope to “push” information to patients.⁴²

36 In 2006 and 2007, the EPF's income was made up primarily of funding from the pharmaceutical industry in the form of unrestricted grants for EPF's operational programme and unrestricted sponsorship for EPF events, including from pharma giants like Novartis, GSK and Pfizer. Overviews of the industry sponsorship and accounts can be found on the website http://www.eu-patient.eu/core_documents/transparency/index.php and in the annual reports (<http://www.eu-patient.eu/publications/>).

See also report by Health Action International Europe: Does the European Patients' Forum represent patient or industry interests? A case study in the need for mandatory financial disclosure. July 2005, http://www.ephia.org/IMG/pdf/EPF_paper_final.pdf

37 The names of the EP members of the Pharmaforum are not disclosed on Commission websites, but can be found in newspaper articles such as “The Informed Patient: What The European Union Has To Do”, Medical News today, 07 Dec 2007;

<http://www.medicalnewstoday.com/articles/90994.php>

38 http://ec.europa.eu/enterprise/phabiocom/comp_pf_en.htm, <http://ec.europa.eu/transparency/regexpert/detail.cfm?ref=1313&l=all>

39 http://ec.europa.eu/health/ph_overview/other_policies/pharmaceutical/working_group_en.htm

40 all contributions to the consultation: http://ec.europa.eu/health/ph_overview/other_policies/pharmaceutical/results_consultation_en.htm

41 ESIP&AIM Joint Statement http://ec.europa.eu/enterprise/phabiocom/docs/pf_20070626_esip_aim_joint_statement.pdf

42 all contributions to the consultation: http://ec.europa.eu/health/ph_overview/other_policies/pharmaceutical/results_consultation_en.htm; an overview of comments regarding information to patients can be found here: <http://www.haiweb.org/28102007/ManyConcerns.pdf>

2.4. High Level Working Group on Competitiveness, Energy and Environment

2

In the final conclusions and recommendations, the Pharmaceutical Forum recommended retaining the ban on advertising prescription medicines to the general public, but at the same time also recommended that “all the relevant players, including national competent authorities, the Commission, public health stakeholders and industry, should ensure high quality information.” A footnote explains that AIM expressed some reserves concerning the involvement of industry in providing information to patients.

The controversy around information for patients continued during the drafting stages of the Commission’s “Pharmaceutical Package”. The draft proposed that industry should be allowed to publish written information about prescription medicines in newspapers and magazines and on the internet. Companies should also be allowed to prepare the information leaflets issued with medicines in a different way and to present their products “in the context of the condition to be prevented or treated”. No approval would be required before publication. Public health campaigners condemned these proposals as damaging to patients and health professionals⁴³. Resistance from a wide range of public interest organisations and disagreement within the Commission itself has led to the delay of the package, which was initially expected to be launched in October 2008, but was delayed to November and then finally launched in December 2008. In the final package⁴⁴, the Commission had pulled back on some contentious issues by including for example prior approval of all information, and excluding ‘general’ printed media (newspaper, magazines etc...) from the list of media where companies would be allowed to publish information.

Conclusions: The reactions from the non-industry stakeholders in the Pharmaforum show that, although the overall composition of the Forum was not significantly biased in favour of industry, crucial areas such as information to patients were dominated by industry interests. The European Public Health Alliance (EPHA) states that the “Pharmaceutical Forum, as it stands, and the outcomes of its work cannot be considered as indisputable, unbiased and reliable.” and that “Non-industry positions were sidelined and ignored.”

One of the most contentious issues – the weakening of the ban on advertising of prescription medicines – was fiercely opposed by a wide range of non-industry stakeholders. While the final recommendations keep the current ban in place, they also propose allowing the industry to act as a source of information for patients. This creates a loophole which finds its way into the Commission’s draft “Pharmaceutical Package”, allowing industry to publish written information about prescription medicines in newspapers and magazines and on the internet, weakening the advertising ban. It was only because of strong resistance from public health campaigners that some degree of protection against advertising of prescription medicines was inserted into the pharmaceutical package. Nonetheless, EPHA warn that the provision in the Pharma package is the first step towards flooding the public with promotional information on pharmaceutical products.⁴⁵

It seems that Commissioner Verheugen was partially successful in fulfilling industries’ wishes despite concerns both within the Pharmaforum and during the Pharmaceutical Package drafting process that public interest will be compromised.

How loudly does civil society have to voice its concerns before Mr. Verheugen hears them?

2.4. High Level Working Group on Competitiveness, Energy and Environment

The mandate of the High Level Group on Competitiveness, Energy and Environment is to offer advice to policy makers, to ensure an integrated approach within these three areas and to develop closer coordination between policy and legislative initiatives. It is designed to examine the links between industrial, energy and environmental legislation and to ensure the coherence of individual initiatives, whilst improving both sustainability and competitiveness.

It was launched in February 2006 and has met five times, with the final meeting in November 2007. Each meeting issued recommendations, which were the result of some 20 earlier “sherpa” meetings and 10 expert hearings. The group’s work culminated in a closing conference, “Towards a global low carbon economy” in November 2007, where all the recommendations were brought together in the conference report.⁴⁶

Website:

http://ec.europa.eu/enterprise/environment/hlg/hlg_en.htm

Composition: This group’s composition was strongly unbalanced in favour of industry, particularly large energy users and traditional energy suppliers. Of the 17 non-governmental members, 13 represented industry. Leading companies pioneering products and services in the renewable energy and energy efficiency sectors were not included. Consumer organisations, academia, research institutions and the public transport sector were also not invited to take part. Originally, only one environmental NGO was invited, but after protests a second was allowed.⁴⁷

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⁴³ Final conclusions of the Forum:

http://ec.europa.eu/pharmaforum/docs/final_conclusions_en.pdf; see also European Voice ‘Health campaigners attack medicine ‘adverts’ plan, 18.09.2008

<http://www.europeanvoice.com/CWS/Index.aspx?PageID=184&articleID=62299>

⁴⁴ http://ec.europa.eu/enterprise/pharmaceuticals/pharmacos/pharmpack_en.htm

⁴⁵ http://www.ephah.org/IMG/pdf/ItP_press_release.pdf

⁴⁶ http://ec.europa.eu/enterprise/environment/hlg/doc_07/conference_report_2007.pdf

⁴⁷ <http://ec.europa.eu/enterprise/environment/hlg/whois.htm>

2.4. High Level Working Group on Competitiveness, Energy and Environment

Governmental participants: 12

- > *Four Commissioners:* Enterprise & Industry; Environment; Competition; Energy
- > *Eight Members State representatives:* (Austrian Minister for Economics and Labour, German Minister for Economic Affairs and Technology, Finnish Minister for Trade and Industry, UK Secretary of State for Trade and Industry, UK Office of Gas and Electricity Markets, Scottish Environmental Protection Agency, Dutch Competition Authority, Public Utilities Commission of the Republic of Latvia)
- > *The European Parliament (EP) was invited to nominate four participants but refused to appoint them. It warned that High Level Groups were undermining the independence of the EU Institutions by pre-determining the institutions' positions on critical issues, and so decided that no European Parliamentarian should be a member of any of the Commission's working groups or consultative forums dealing with issues where the EP is co-legislator.*

Non-governmental participants: 17

- > *Thirteen from industry:* BP, AREVA, Siemens AG, Endesa, Distrigas, Lafarge, Umicore, Marcegaglia, Hydrocarbons and Energy of Dow Chemicals Europe, Svenska Cellulosa Aktiebolaget, BusinessEurope, World Business Council for Sustainable Development, Apimilano
- > *Four others:* European Trade Union Confederation ETUC, WWF, European Environmental Bureau, Environmental Resource Management

Issues: Functioning of energy markets (particularly electricity and gas), climate change (particularly the EU Emissions Trading Scheme and its review; energy efficiency including energy taxation and removal of harmful subsidies, renewables), implementation of thematic strategy on prevention and recycling of waste and related legislation, improvement of resource efficiency and uptake of environmental and other innovative technologies, development and uptake of environmental and other innovative technologies, the implementation of better regulation principles, European energy intensive industry competitiveness.

Transparency: Membership disclosure (names and organisations)⁴⁸, document disclosure (reports and minutes).⁴⁹

Assessment: When the group was launched, its unbalanced composition was criticised from many sides, including by the Green 10 (Group of environmental NGOs in Brussels) and the European Green Party.⁵⁰ The group's aim was to ensure an integrated approach between the three areas - Competition, Energy and Environment. But critics were concerned that environmental interests were heavily outbalanced in the group, as it was dominated by large energy users and traditional energy suppliers. The group's composition was clearly suited to focus on improving the competitiveness of European industry, but not best placed to develop appropriate policies for the benefit of environment and consumers.

The recommendations issued by the group were not as unbalanced in favour of industry competitiveness and profits as was initially expected, with some positive points. According to the sherpa of the EEB representative, the need to control climate chaos steered discussions in the group, and it was recognized that European leadership was needed. Although industry representatives insisted that the EU needed to take a cautious approach and consider the negative impacts on competitiveness in the absence of an international agreement on global reduction targets, it was recognised that not acting would result in enormous costs. This was reflected for example in the recommendations of the second report, which called for mid-term and long-term greenhouse gas and CO₂ emission targets without a pre-condition of international negotiations. Industry arguments against the Emissions Trading Scheme, were rejected. The ETS was endorsed as the best way forward, and there was a recognition that the allocation of permits needed to be harmonised.

Nonetheless, industry got their way on many points. The agenda for the meetings reflected an industry skew, with themes pre-defined to focus on competitiveness and liberalised markets, while trying to integrate the need to address the problem of climate change without compromising the interests of industry too much.

Although the group endorsed the EU's commitment to achieve a 20% reduction in green house gas (GHG) emissions by 2020 (on 1990 levels) without the pre-condition of international negotiations, a 30% reduction was only endorsed under the condition of concluding a comprehensive post-2012 agreement. The 20% lies well below the scientifically needed range of 25-40 percent emission reductions for industrialised countries that were supported by the EU and agreed at the United Nations climate talks in Bali in 2007 in order to keep global temperature increase below 2 degrees Celsius. It is regrettable that the group only half-heartedly calls for the EU to live up to its perceived leadership role in global climate policy and fails to recommend a more ambitious reduction target.

The group also failed to fully address the problem of increased coal combustion, which was justified in the name of energy security. The group recommended phasing out environmentally harmful subsidies, but it didn't identify the specific industrial sectors where this should apply. The group's recommendations on environmental technologies are also disappointing – perhaps not surprisingly, given that pioneering renewable energy companies were not included in the group. As a result, Carbon Capture and Storage (CCS) and nuclear energy, both of which are highly controversial, were prominent in many of the discussions on technology. Nuclear energy was identified as a low-carbon alternative, with only a footnote in the report explaining that not everyone agreed on this.

⁴⁸ http://ec.europa.eu/enterprise/environment/hlg/doc_07/hlg_list_of_members.pdf; the list provided in the register of expert groups at <http://ec.europa.eu/transparency/regexpert/detail.cfm?ref=1818&l=all> is incomplete and does not cover non-governmental representatives

⁴⁹ Reports and minutes can be found here: <http://ec.europa.eu/enterprise/environment/hlg/whos.htm>
⁵⁰ Green 10 press statement: http://www.foeeurope.org/publications/2006/Green10_28_Feb_high_level_group.pdf Greens press release: http://www.greens-efa.org/cms/pressreleases/dok/105/105846.high_level_groups@en.htm

2.5. High Level Group on Competitiveness of the European Chemicals Industry

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The group also only recommended setting up long term and medium term targets, whereas environmental groups have said that short term targets are crucial for ensuring political accountability and also ensuring that Europe leads the world in showing that climate change can be tackled.

The group's discussions - and recommendations - focused almost exclusively on the issue of climate change, failing to address the broader issue of the environment – which was the remit (and title) of the group.

Conclusions: Despite these flaws, it would be fair to say that the performance of this group was not as biased as the environmental groups had expected. Certainly, the increased political and public consensus about the urgent need to address climate change influenced the deliberations of the group. The 'Stern Report' came out a few months after the group was launched, which according to the EEB sherpa had a constructive impact on discussions. According to this individual, even one NGO can make a difference and at times prevent negative outcomes.

At the same time, according to the EEB sherpa, it seems that the HLG's importance decreased – and consequently many members lost interest – as it became clear that NGOs were not prepared to just let industry interests have their own way. While there initially seemed to be a great deal of enthusiasm among business representatives, who saw the group as a way of influencing the Commission's climate and energy agenda, this enthusiasm quickly subsided. Similarly, the interest among the members appeared to decline, and Ministers stopped attending meetings, or attended only briefly. The group had initially been expected to have a longer life, but it became clear that neither the Commission, nor the other members had any real interest in doing so.

Is a group only interesting if business has the chance to shape policies, without having to accommodate environmental demands? And has the experience with this group induced a rethink in DG Enterprise's habit of establishing High Level Groups on controversial subjects?

2.5. High Level Group on Competitiveness of the European Chemicals Industry

The High Level Group on Competitiveness of the European Chemicals Industry was set up to examine the factors which determine the competitiveness of the European chemicals industry and was intended to make sector-specific policy recommendations on enhancing competitiveness by Spring 2009. Its mandate also includes making recommendations on the sustainable development of the industry.

The group's first meeting took place in September 2007 and it is expected to meet around five times, finalising its work by spring 2009. So far, it has issued two sets of conclusions and recommendations on 'Research, Innovation and Human Resources'⁵¹ and 'Energy, Feedstock and Logistics'⁵². The conclusions from a meeting on 'Trade and Competitiveness with other Regions,

challenges and opportunities for the European Chemical Industry' held in October 2008 have not yet been officially endorsed by the group [December 2008].

Website:

http://ec.europa.eu/enterprise/chemicals/hlg/hlg2/hlg_index.htm

Composition: The composition of the group is unbalanced in favour of industry. Of the 15 non-governmental participants, ten come from industry and just five from other organisations. What is more, the national ministers on the group mainly represent economy, industry or trade, and none of them has environment in his/her portfolio.

Governmental participants: 16

- ▶ *Six Commissioners:* Enterprise & Industry; five other Commissioners with alternating participation depending on the subject discussed (Environment; Science & Research; Trade; Energy; Transport)
- ▶ *Ten Member State representatives:* Dutch Minister of Economic Affairs, Flemish Regional Minister of Economic Affairs, Energy, Foreign Trade and Scientific Policy, Polish Minister of Economy, Czech Minister of Industry and Trade, German Minister of Economics and Technology, two representatives from the French Ministry of Economy (Minister of State and DG Enterprise), UK Minister for Competitiveness and Consumer Affairs, Spanish Secretary-General of Industry, European Chemical Regions Network.
- ▶ *The European Parliament has been invited to appoint members but has refused, reiterating its decision from February 2006 that no European Parliamentarian shall be a member of any working group or consultative forum of the Commission if it deals with issues on which the EP is co-legislator.*

Non-governmental participants: 15

- ▶ *Ten from industry:* Total, Unilever, BASF, Shell Chemicals, Contract Chemicals, Bang&Bonsomer, Mapei, Arkema, UK Chemical Industries Association, European Association of Chemical Distributors (FECC)
- ▶ *Five others:* European Mine, Chemicals and Energy Workers' Federation/German Mine Chemicals and Energy Workers' federation IGBCE, Swedish University of Technology, European Environmental Bureau/Swedish Society for Nature Conservation, BEUC (European consumers organisation) and the Danish Consumer Council.

Issues: Innovation (including nanotechnology, biochemistry, bioplastics) to maintain competitiveness; trade (market access, regulatory cooperation with trading partners); energy and feedstocks (sector-specific solutions to challenges faced by the sector; includes discussion on other feedstocks such as sugar, ethanol, starch); human resources/skills (shortage of researchers, engineers and skilled workers as a key problem); infrastructure and logistics (making transportation more efficient to reduce costs); societal needs (enhanced communication with stakeholders).

⁵¹ <http://ec.europa.eu/enterprise/chemicals/hlg/conclusions/hlg18dec07.pdf>

⁵² http://ec.europa.eu/enterprise/chemicals/hlg/hlg2/pdf_docs/hlg_18apr2008/energy_feedstock_conclusions_of_%20the_discussion.pdf

2.5. High Level Group on Competitiveness of the European Chemicals Industry

Transparency: Membership disclosure (names and organisations)⁵³, document disclosure (report and minutes)⁵⁴.

Assessment: The group set out to explore ways to ensure a successful and sustainable industry for the future. The group was given a situational analysis of the main features of the industry based on a contribution by CEFIC, the European chemicals industry's representative body, to start the process.⁵⁵ This was used to identify the most relevant questions and issues that required further discussion within the group. However, as the analysis was based on information from the industry, it was bound to only cover aspects relevant to industry – and as the work programme of the group clearly reflects: environmental and consumer concerns were not included on the initial agenda. Presentations at meetings have been almost exclusively given by industry representatives, providing only a narrow, industry-focused perspective on the issues.

Nonetheless, some of the group's recommendations have been encouraging. The first report for example states that “The chemicals industry needs to develop a more effective dialogue with society based on mutual understanding and trust. Listening and understanding are essential to effective two-way communication, and are key to developing the trust needed to support an innovation-friendly environment and make it work. Innovation needs the confidence of investors, customers, workers, and consumers in the sustainability and safety of products and processes.” However, while this is positive in terms of communication, the statement focuses on dialogue to develop trust, but not on actually making chemicals safer.

The group also considered how the chemical sector can best contribute to sustainable development and climate change objectives and how it can best take advantage of new business opportunities. A major part of the analysis in the report on ‘Energy, Feedstock and Logistics’ was based on some 30 presentations made by the International Energy Agency (IEA), chemicals industry, academia and European Commission representatives at ad-hoc meetings. More than three quarters of these presentations were from industry representatives, and none were made by representatives from environmental organisations or any other public interest group. It is therefore not surprising that - as with the High Level Working Group on Competitiveness, Energy and Environment - discussions on energy efficiency focused on technological fixes, including controversial Carbon Capture and Storage (CCS) technology, rather than actually reducing emissions. CCS was considered crucial even though it was recognised that it will not become feasible until 2020.

The conclusions in the ‘Energy, Feedstock and Logistics’ report state that a minority of group members considered the general picture emerging from the preparatory work to be lacking in the long term vision needed to respond to the challenge of contributing to the fight against climate change, especially given that scientists consider a much higher emissions reduction target of 80% by 2050 necessary. Several other members argued that the main objective

of the group was only to consider the impacts on competitiveness of the European chemicals industry; and so a longer term vision regarding climate change was not developed.

Overall, climate change mitigation was seen as a business opportunity that should be exploited.

Conclusions: If there was any hope that the Commission would reconsider its practice of establishing High Level Groups on controversial subjects following the High Level Group on Competitiveness, Energy and Environment, this was not fulfilled.

Only one environmental representative (European Environmental Bureau EEB/Swedish Swedish Society for Nature Conservation) was invited to the group, and even though he was joined by two organisations who represent consumers (Danish Consumer Council and BEUC⁵⁶) one trade union (European Mine, Chemicals and Energy Workers' Federation) and one representative of academia, the composition of the HLG remained unbalanced in favour of industry. And from the title and mandate of the group it was clear from the beginning that its deliberations would revolve around the competitiveness of the chemical industry without much room for debating the impacts of the chemical industry on people and environment. Industry successfully determined the agenda of the HLG, ensuring that it mainly focused on industries' priorities.

On a positive note, the chairs of meetings usually allowed the environmental representatives to speak as extensively as industry representatives and the participation of even one environmental participant can substantially change the discussion and prevent in some cases an unbalanced outcome. For example, according to the EEB sherpa, a proposal that the chemical industry sector should be exempt from auctioning emissions' allowances and should receive free allowances instead was blocked because of strong resistance from the environmental representative. In the conclusion, the group did not make a clear recommendation on this issue, recognizing instead that the discussion on the carbon allowances are on-going.

At the same time, it seems that this group – like the High Level Group on Competitiveness, Energy and Environment – is not seen as a very important forum by most of those involved. Is there too much resistance in the group to prevent it from becoming an important forum? And why does the Commission set up groups on highly controversial subjects, and subsequently allow them to become unimportant? Is there a strategy behind this, or is it simply that lessons have not yet been learned?

53 Unfortunately, the list on the website at http://ec.europa.eu/enterprise/chemicals/hlg/hlg_members_final_list.pdf differs significantly from the one in the register at <http://ec.europa.eu/transparency/regexpert/detail.cfm?ref=2018&l=all>, with more organisations being listed in the register. For this overview, organisations listed in any of the two lists were taken up.

54 All documents on: http://ec.europa.eu/enterprise/chemicals/hlg/meetings_en.htm

55 http://ec.europa.eu/enterprise/chemicals/hlg/hlg2/pdf_docs/hlg_10Sept2007/thoughtstarter.pdf

56 The BEUC representative is only listed in the register of expert groups but not in the list on the website of the group. He might have joined at a later stage.

2.6. High Level Group of Independent Stakeholders on Administrative Burdens

2

2.6. High Level Group of Independent Stakeholders on Administrative Burdens

This group's main role is to support the Commission in the implementation of the Action Programme for Reducing Administrative Burdens in the European Union.

The group has a three-year mandate and started its work in January 2008 and has held three meetings so far. At the meeting in February 2008, dedicated to Fast Track Actions, an opinion was adopted by the group⁵⁷ and later complemented with conclusions.⁵⁸ In July 2008, an opinion was adopted including recommendations on company law.⁵⁹ More recently opinions on stakeholder suggestions (September 2008)⁶⁰, on rules on invoicing in the VAT directive (October 2008)⁶¹ and on public procurement reform (December 2008)⁶² were issued. Furthermore, the group launched the "Best Idea for Red Tape Reduction Award" (September 2008)⁶³. The Commission has also launched an online consultation calling for the submission of ideas on how to reduce administrative burdens.⁶⁴

Website: http://ec.europa.eu/enterprise/admin-burdens-reduction/highlevelgroup_en.htm

Composition: The members of this group were appointed in a personal capacity. Many of them hold different functions simultaneously, which makes categorisation difficult. The categorisation used below is based not only the functions of the individuals concerned, but also the nominating authority. Following this logic, the group effectively includes only one participant who represents government interests (a representative from the Assembly of European Regions). The chairman of the group is Edmund Stoiber, the former Minister-President of Bavaria, Germany, who no longer holds public office. He could also be counted as business representative, given that he sits on the board of two insurance companies. The State Secretary of the Finnish Ministry of Agriculture and Forestry is on the group, but was nominated for his role as the Secretary General of COPA (Committee of Professional Agricultural Organisations) and COGECOA (General Confederation of Agricultural Cooperatives). He is also employed by a Finnish dairy company, and so is considered primarily as a non-governmental representative rather than as from government.

Participants: The group has 15 members, of which nine represent business interests. This means it is controlled by business interests.⁶⁵

- *One national representative:* Assembly of European Regions (nominated by the European Commission)
- *One without category:* the chairman, Stoiber is the former Minister-President of Bavaria, but currently holds no public office. He sits on the board of two insurance companies
- *Nine from business* two management consultancies (Roland Berger Management Consultancy and Vemako, both nominated by Stoiber); a representative of Mirpuri Investments Group & Portuguese SME association PME, (nominated by the European Small Business Alliance); the Swedish Federation of Private

Enterprise Företagarna (European Association of Craft, Small and Medium-sized Enterprises); the Community of European Railway and Infrastructure Companies CER (nominated by BusinessEurope); the Danish Federation of Small and Medium-sized (nominated by the European Commission in agreement with Stoiber); an unspecified company director and independent regulatory expert (nominated by Stoiber); the agricultural federation Copa-Cogeca (European Farmers and Agri-cooperatives association, nominated by Copa-Cogeca); JPA Consulting/European Federation of Accountants (nominated by the European Federation of Accountants FFE); two Members currently chair national bodies on administrative burdens and regulatory control (Netherlands, Germany)

- *Four others:* environmental NGO European Environmental Bureau (EEB, nominated by EEB via Friends of the Earth Europe); Unión General de Trabajadores-Espana (Spanish trade union, nominated by European Trade Union Confederation); European consumer organization (BEUC, nominated by BEUC); think tank European Policy Centre (EPC, nominated by EPC).

Issues: Implementation of the action plan on reducing administrative burden with the aim of cutting the administrative burdens of business in the EU by 25% by 2012.

The 13 priority areas in the action plan are: agriculture and agricultural subsidies, annual accounts / company law, cohesion policy, environment, financial services, fiscal law / VAT, fisheries, food safety, health protection, public procurement, statistics, transport, working environment / employment relations.

Transparency: Membership disclosure (names, organisations and the nominating entity)⁶⁶, document disclosure (reports and minutes)⁶⁷.

Assessment: The working scope of the group is still very unclear and seems to get more confusing as the process develops. While the group's objective is to reduce administrative burdens without reducing effectiveness, it is unclear how high administrative burdens are, which regulations they come from, and what are the costs of bureaucracy and the potential savings. A group of consultancies were hired to look at these issues, but the final results of this are not yet available. Only the preliminary results on this and proposals for reductions on priority issue of company law were available for inclusion in the group's July 2008 opinion.⁶⁸

57 See the opinion at http://ec.europa.eu/enterprise/regulation/better_regulation/docs/hlg_opinion.pdf and a Commission press release at: <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/08/152&format=HTML>

58 http://ec.europa.eu/enterprise/admin-burdens-reduction/docs/HLG_AB_20080410_HLG_Opinion_FTA_FINAL.pdf

59 http://ec.europa.eu/enterprise/admin-burdens-reduction/docs/080710_hlg_op_comp_law_final.pdf

60 <http://ec.europa.eu/enterprise/admin-burdens-reduction/docs/OpinionOfflineSuggestions080918RevAfterMeeting.pdf>

61 http://ec.europa.eu/enterprise/admin-burdens-reduction/docs/Opinion_on_VA_Invoicing_Reform.pdf

62 http://ec.europa.eu/enterprise/admin-burdens-reduction/docs/HLG_Opinion_on_PPPFinal.pdf

63 http://ec.europa.eu/enterprise/admin-burdens-reduction/competition_en.htm

64 http://ec.europa.eu/enterprise/admin-burdens-reduction/online_consultation_en.htm

65 A full list of members can be seen at http://ec.europa.eu/enterprise/regulation/better_regulation/docs/list_of_members_110308.pdf

66 http://ec.europa.eu/enterprise/regulation/better_regulation/docs/list_of_members_110308.pdf

67 http://ec.europa.eu/enterprise/admin-burdens-reduction/highlevelgroup_en.htm

68 http://ec.europa.eu/enterprise/admin-burdens-reduction/docs/080710_hlg_op_comp_law_final.pdf

2.7. High Level Group on the Competitiveness of the Agro-Food industry

Company law was selected as a pilot issue, as an assessment carried out by Member States suggested that there were significant administrative burdens in this area. National legislation is thought to be responsible for about 60% of this, while some 40% originates from the EU. But as yet, actual figures are only available for a few countries – and the research only looked at 10 countries, extrapolating the rest. When the Commission sent the draft report to the group, it indicated that it had already identified a worrying number of significant inaccuracies in the report and that it still needed to be evaluated. These inaccuracies made it difficult for the group to make any decision based on the report.

The unclear working scope of the group is also reflected in the online consultation and the “Best idea for Red Tape reduction Award”, both aimed at identifying ideas for reducing unnecessary bureaucracy. While the mandate of the group is the “implementation of the action plan on reducing administrative burdens”, it seems that the action plan is still being developed. It is therefore difficult for the group to produce recommendations on how to implement measures to reduce administrative burdens when it is not even clear which administrative burdens are causing the problem.

Action on the priority issue of the ‘Environment’ have still not been discussed by the group, making further assessment of this subject impossible at this point.

Conclusions: The group is focused exclusively on the reduction of administrative burdens for the benefit of companies. However, this can be counter-productive in terms of achieving other aims. For example, in the debate on improving corporate accountability standards, a proposal to oblige companies to file social and environmental performance reports was dismissed by Commissioner Verheugen who argued that this would be an additional administrative burden. Similarly, the overarching aim of reducing the administrative burden for companies does not consider whether or not the reduction in burdens for companies may force national, regional and local authorities to increase inspections or take other measures, resulting in a greater strain on public money.

Will companies benefit from less administrative burdens at the expense of social and environmental standards and tax payers’ money?

Beyond these concerns about the impact of reduced administrative burdens on accountability standards and public spending, a fundamental question also arises as to the wisdom of deregulating for the benefit of profit. The recent worldwide financial crisis has shown that deregulation of financial markets, rather than producing a win-win situation, has indeed resulted in a catastrophe for society at large.

2.7. High Level Group on the Competitiveness of the Agro-Food industry

This group’s mandate is to address the issues that determine the future competitiveness of the agro-food industry, identify challenges and trends and to formulate a set of sector-specific recommendations addressed to policy makers. The group is scheduled to meet three times (June 2008, December 2008 and Spring 2009). Working groups for three different work streams (access to raw materials and trade issues, food chain structure, regulatory environment) have met in July 2008 with wrap-up sessions in September 2008. A progress report was issued in September 2008 to give an overview of the main issues discussed within the three workstream sessions.⁶⁹

Website: http://ec.europa.eu/enterprise/food/high_level_group_2008/hlg_intro1.htm

Composition: With 16 members representing industry interests and as many other members (governments and other non-governmental participants), the group is almost corporate controlled, and is definitely unbalanced in favour of industry. Environmental interests are not represented at all in the group.

Governmental participants: 13

- *Four Commissioners:* Enterprise & Industry; Agriculture & Rural Development; Consumer Protection; Health
- *Eight Member State representatives:* Bulgarian Minister of Agriculture and Food; Danish Minister of Food, Agriculture and Fisheries; French Minister of Agriculture and Fisheries; German Minister of Food, Agriculture and Consumer Protection; Italian Minister of Economic Development; Polish Minister of Agriculture and Rural Development; Spanish Minister of Environment, Rural and Marine Affairs; UK Minister of Environment, Food and Rural Affairs
- *One Member of the European Parliament:* EPP, Chairman of the Committee on Agriculture and Rural Development

Non-governmental participants: 19

- *Sixteen from industry:* ASS.I.CA (Italian meat industry association), Cadbury (UK confectionery and beverage company), Danone (French food-products company - dairy, water, baby food), Ebro Puleva (Spanish Food Group – rice, pasta, sugar, dairy), Eder & Heylands (German beer brewery), Fedagri Confcooperative (Italian federation of agricultural and agri-food industry), Metro (German retail and wholesale/cash and carry group), Nestlé (Swiss multinational packaged food company), Pernod (French alcoholic beverages company), Südzucker (German sugar producer), Toms Confectionery Group (Denmark’s largest confectionery producer), Unilever (Anglo-Dutch multi-national - foods, beverages, cleaning

⁶⁹ http://ec.europa.eu/enterprise/food/high_level_group_2008/documents_hlg/progress_report_level_group.pdf

agents, personal care products), Valio (Finnish dairy and cheese company), CIAA (European food and drink industry association), Copa-Cogeca (European Farmers and Agri-cooperatives association), ERRT (European Retail Roundtable)

➤ *Three others:* EFFAT (European federation of food, agriculture and tourism trade unions), EPHA (European Public Health Alliance), BEUC (European consumers organization).

Issues: Access to raw materials and trade issues (including CAP and prices), food chain structure (innovation and research, small and medium sized enterprises, human capital and employment, business services in the food chain, prices and the food chain, consumer values and perceptions), regulatory environment (food law, environmental policy, customs).

Transparency: Membership disclosure (names and organisations)⁷⁰, partial document disclosure (progress report⁷¹, contributions/presentations⁷², but no minutes).

Assessment: The progress report released by the group reflects the corporate bias of the discussions. For example, on the issue of GMOs, the progress report contains proposals such as mutual recognition of safety assessments, speeding up the approval process for food and feed, establishing a tolerance threshold for non-EU authorized GMOs and diminishing non-tariff barriers in GMO legislation. These proposals are clearly devised to benefit industry but would not be supported by environmental groups had they been invited to join the group.

On the issue of increased food prices, solutions put forward included the use of GMOs, the need to remove production limitations, to suspend import duties and diminish non-tariff barriers. At the same time, some participants pointed out that various factors such as speculation, world food demand growth, slow down in productivity growth and agrofuels have contributed to the rise in food prices.

More generally, on food safety, GMOs, animal cloning and nanotechnology were seen as new challenges and participants agreed that “it will be necessary to focus on educating consumers to understand these new issues, maintaining consumers’ confidence in technology. Innovation is important and should be presented in a positive way to consumers. Otherwise, there is a high risk of opposition.” This conclusion ignores the fact that there are serious scientific concerns about the safety of GMOs, animal cloning and nanotechnology for food production, and rather than a need to educate consumers, there is a need to take their concerns and opposition seriously.

Conclusions: While food production and the agro-food industry’s activities arguably have huge impacts on the environment, the issue is only approached from the perspective of the administrative burdens created by environmental policy. Environmental voices have been completely shut out, and consumer and public health interests have been outnumbered by industry representatives. The first progress report has already given a good indication of the direction this group’s discussions are heading in, with GMOs centre stage. After years of public opposition, this seems to be yet another attempt to achieve Europe-wide approval of GMOs by industry and its partners in the European Commission.

With environmental opposition effectively shut out from the group, will it be seen as a more important forum by its members than the previous three groups?

The progress report also argues for self-regulation and deregulation. Again, this raises the fundamental question about the wisdom of deregulation in the face of a worldwide financial crisis triggered by deregulating the financial market.



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⁷⁰ http://ec.europa.eu/enterprise/food/high_level_group_2008/membership_highlevelgroup.pdf

⁷¹ http://ec.europa.eu/enterprise/food/high_level_group_2008/hlg_progress_report.htm

⁷² http://ec.europa.eu/enterprise/food/high_level_group_2008/hlg_contributions.htm and http://ec.europa.eu/enterprise/food/high_level_group_2008/hlg_presentations.htm

Conclusions

DG Enterprise and Industry under Commissioner Verheugen has run seven High Level Groups. Four of these have concluded their work and issued final reports containing policy recommendations (HLG on Textiles & Clothing, CARS 21, Pharmaceutical Forum, HLG on Competitiveness, Energy and Environment). The other three are on-going (HLG on Competitiveness of the Chemical Industry, HLG of Independent Stakeholders on Administrative Burdens, HLG on the Competitiveness of the Agro-Food industry).

Transparency - secrecy

The European Commission's register of Expert Groups lists four of these High Level Groups [December 2008]: two of which are no longer active (Pharmaceutical Forum and HLG on Competitiveness, Energy and Environment), and two which are still active (HLG on Competitiveness of the European Chemicals Industry and the HLG on Administrative Burdens).⁷³ The third active group (HLG on the Competitiveness of the Agro-Food industry) is not listed, even though it is six months since its first meeting (June 2008). Furthermore, the information provided in the register sometimes differs from the one provided on a HLG's website, e.g. listing more or less members (this was the case for the HLG on Competitiveness, Energy and Environment and for the HLG on Competitiveness of the European Chemicals Industry). Thus, the Commission's register of Expert Groups proves to be incorrect and often outdated.

In terms of document and membership disclosure, DG Enterprise and Industry seem to have slightly improved over time. For the first two groups that were set up (HLG on Textiles and Clothing, CARS 21), membership was transparent (organisations and names), but document disclosure was only partial (reports, but no minutes). For the third group (Pharmaceutical Forum), reports and minutes were disclosed, but membership disclosure was only partial (organisations but no names). For the next three HLGs, membership and documents are fully disclosed on the website (organisations, names, reports, minutes), although information can be difficult to find, delayed or sometimes incomplete. However, the last group (HLG on the Competitiveness of the Agro-Food industry) appears to have stepped backwards: membership is fully disclosed, but minutes of meetings are not available.

Corporate bias

Of the seven High Level Groups, two were/are corporate controlled (Textiles and Clothing, Administrative Burdens) and four were/are unbalanced in favour of industry (CARS21, HLG on Competitiveness, Energy and Environment, HLG on Competitiveness of the Chemicals Industry, HLG on Competitiveness of the Agro-Food industry, with the latter being almost corporate controlled). The Pharmaceutical Forum with 5 industry representatives and 5 other representatives out of 10 non-governmental representatives could be seen as relatively balanced. However, the legitimacy of the only NGO on the Forum has been strongly questioned for its close links to industry – if this organisation is counted as being industry-biased, then this group could be qualified unbalanced in favour of industry as well.

In summary, the composition of HLGs is almost completely unbalanced or even corporate controlled.

These findings raise serious concerns over the democratic nature of decision-making within the European Commission. On important policy issues such as climate change or food policy issues, policies are formulated on the advice of groups whose recommendations are strongly biased in favour of commercial interests. The input provided by Expert Groups often forms the basis for Commission proposals, many of which are later adopted as legislation.⁷⁴ It is therefore crucial that such input reflects the public interest rather than profit-motives of industry.

The outcomes of the first two High Level Groups most clearly reflect this industry bias: in a purely market-oriented approach, environmental and social standards were disregarded, and existing strategies have even been watered down in the name of competitiveness. But even in the more balanced Pharmaforum, crucial areas were clearly controlled by profit interests, while non-industry positions were sidelined and ignored.

The outcomes of the High Level Group on Competitiveness, Energy and Environment were less narrowly profit-focused; although this could be explained by the growing public pressure to adequately address climate change and by the strong pressure from the two environmental representatives on the group. But nonetheless, many goals were watered down to the benefit of companies, and from the start the agenda of this group was predefined to ensure that industry interests wouldn't be compromised too much.

On the last three groups, it remains to be seen how balanced the final outcomes of the groups will be. The work programme and first reports from the HLG on the competitiveness of the chemicals sector already makes clear that this group is not providing many opportunities to debate environmental or consumer concerns. The work programme of the HLG on the competitiveness of the Agro-Food Industry almost completely ignores environmental issues, despite the considerable environmental impacts of food production. The (progress) reports of both groups reveal an unhealthy focus on technological fixes without recognising the potential or proven environmental and social risks. Similarly, the HLG on Administrative Burdens focuses exclusively on the reduction of administrative burdens for the benefit of companies without considering the potential negative effects and dangers of deregulation from a social and environmental perspective. And arguably, in the wake of the biggest financial crisis since 1929, any proposal aimed at reducing regulation merits second thoughts.

Equitable consultation?

For a functioning democracy, it is a prerequisite that all views are taken into account on issues that concern a broad range of stakeholders. The European Commission recognised this fundamental principle in its "General principles and minimum standards for consultations", stating that "The Commission is committed to an inclusive approach when

⁷³ Until up to December 2008, the HLG on Textiles and Clothing was also still listed in the register, but hadn't been active since September 2006

⁷⁴ Between 1986 and 1995, 80% of the Commission proposals got adopted – Simon Hix, 'The political system of the European Union', Palgrave 1999, p. 60

developing and implementing EU policies, which means consulting as widely as possible on major policy initiatives” and that “When defining the target group(s) in a consultation process, the Commission should ensure that relevant parties have an opportunity to express their opinions.”⁷⁵ (see box on p6)

The High Level Groups established by DG Enterprise were or are still dealing with major and controversial policy issues such as pharmaceuticals, energy, chemicals and food. These are issues where not only industry, but a broad range of stakeholders including environmental, consumer, health and labour organisations are likely to be affected or have a direct interest in the policy. According to the Commission’s own minimum standards for consultation, those parties should be adequately consulted, with regard also to the wider impacts of the policy, the need for specific expertise, and the need for a proper balance between the various representatives. Very clearly, none of this has happened in the HLGs. Environmental and consumer interests are largely ignored and sidelined.

Regarding the HLG on Competitiveness, Energy and Environment, the biased composition of the group triggered considerable protest and efforts were made to achieve more of a balance – without much success. The vast majority of non-governmental members still represented industry (13 out of 17), and no leading companies pioneering products and services in renewable energy and energy efficiency were on board, so the group could hardly be described as ‘properly balanced’. The later HLGs have also not been more balanced – they involve a token number of civil society organisations but are still strongly unbalanced in favour of industry.

Legitimacy of High Level Groups

But would it be enough to establish High Level Groups with a more balanced composition, ensuring that the reports and policy recommendation reflect the views of all stakeholders, or is there a deeper underlying problem with these High Level Groups? The legitimacy of HLGs in the democratic decision-making process has been repeatedly questioned from several sides, not least by the European Parliament.⁷⁶

The Parliament has decided that no MEP shall be a member of any working group or consultative forum of the Commission dealing with issues on which the EP is co-legislator because it has strong reservations about the legitimacy of High Level Groups, arguing that they undermine the independence of the EU Institutions and predetermine the institutions’ positions on critical issues. The Parliament’s refusal to nominate participants for the HLG on Competitiveness, Energy and Environment triggered a note from Catherine Day (Secretary General of the European Commission) to all Director-Generals, calling on them to establish such groups only exceptionally and only if well-justified. Nonetheless, Commissioner Verheugen has set up three more HLGs. When asked to nominate participants for the HLG on Competitiveness of the Chemical Industry, the Parliament again refused, reiterating the decision from over a year before. The Parliament was not invited to join the HLG on Administrative burdens. However, the most recently

established HLG (Agro-Food Industry) was joined by a representative from the largest group (EPP) in apparent contradiction with the earlier Parliament decision against sending MEPs to HLGs.

But even if these serious concerns about the legitimacy of HLGs did not exist, it would be impossible to shape them into democratic, well-balanced and well-informed advisory bodies to the Commission. Not least because civil society organisations more often than not do not have the personnel resources to participate on the scale required. As members of the HLGs discussed in this publication stated, participation can become very time-consuming with preparing and attending meetings, continuing discussion over e-mail and searching for experts for ad-hoc meetings.

Recommendations

Can High Level Groups be the right forum to formulate qualified and impartial advice on crucial policy issues? From the experience of the High Level Groups set up by DG Enterprise and Industry, it can only be concluded that they cannot. Like any other directorate, DG Enterprise and Industry is required to integrate environmental protection requirements into the definition and implementation of its policies in accordance with the Treaty of the European Union.⁷⁷ Groups set up primarily to discuss the issue of competitiveness, which are dominated by corporate interests, cannot be the right forum to adequately fulfil this mandate. What is more, the experience in some of the more recent HLGs indicates that where civil society representatives were given a voice, the other parties lost interest because they encountered resistance to proposals that were environmentally and socially damaging.

The conclusion must be that the experiment with “High Level Groups” is far from a success. Therefore, the current Commission should:

- > **disclose all active groups, including membership (names and organisations) and documents (reports and minutes) in a comprehensive register**
- > **dissolve groups that are controlled by industry interests or take steps to ensure a more balanced representation**

The best advice that can be given to the incoming Commission is to reform the way in which it gathers expert advice. Consultation methods should be transparent and allow for equal access of all stakeholders, avoiding corporate dominance. Therefore, the Commission should:

- > **not set up any new High Level Groups, or any other advisory group, until transparent mechanisms for creating advisory groups have been established, including clear and solid criteria that guarantee equitable consultation of all stakeholders as defined in the ‘General principles and minimum standards for consultation of interested parties’ (see box, p.6)**

The new Commission should find more open and democratic ways of consulting stakeholders on major policy initiatives.

⁷⁵ p.16, 19 http://eur-lex.europa.eu/LexUriServ/site/en/com/2002/com2002_0704en01.pdf

⁷⁶ Cf. e.g. <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+WQ+P-2005-5024+0+DOC+XML+V0//EN&language=EN>, <http://www.eph.org/a/2138>

⁷⁷ Art. 6, Treaty on European Union and of the Treaty establishing the European Community, consolidated version December 2006, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2006:321E:0001:0331:EN:pdf>

Appendix

Overview of the 7 High Level Groups								
Expert group	Composition	Membership disclosure		Documents disclosure		Listed in register of expert groups	Still active	
		Organisations	Persons	Reports	Minutes			
HLG on Textiles and Clothing	<i>Corporate controlled</i> EU (Commission & Parliament) 6 Member states & regions 6 Industry 17 Others 2	yes	yes	yes	no	no	no	
Cars21	<i>Unbalanced in favour of industry</i> EU (Commission & Parliament) 5 Member States 6 Industry 8 Others 3	yes	yes	yes	no	no	no	
Pharmaceutical Forum (High Level)	<i>Not industry dominated</i> EU (Commission & Parliament) 5 Member States 27 Industry 5 Others 5	yes	no	yes	yes	yes	no	
HLG on Competitiveness, Energy & Environment	<i>Unbalanced in favour of industry</i> EU (Commission) 4 Member States 8 Industry 13 Others 4	yes	yes	yes	yes	yes	no	
HLG on Competitiveness of the European Chemicals Industry	<i>Unbalanced in favour of industry</i> EU (Commission) 6 Member States 10 Industry 10 Others 5	yes	yes	yes	yes	yes	yes	
HLG of Independent Stakeholders on Administrative Burdens	<i>Corporate controlled</i> Member States 1 Business 9 Others 5	yes	yes	yes	yes	yes	yes	
HLG on the Competitiveness of the Agro-Food Industry	<i>Strongly unbalanced in favour of industry, almost corporate controlled</i> EU (Commission & Parliament) 5 Member States 8 Industry 16 Others 3	yes	yes	yes	no	no	yes	





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