



ORGALIME POSITION PAPER ON

Green Paper on the European Transparency Initiative COM (2006) 194 final

Brussels, 30 August 2006

Introduction

ORGALIME, which was set up in 1954, is an international association set up under Belgian law (AISBL). We speak for 35 national trade federations in 24 European countries, which represent some 130,000 companies in the mechanical, electrical, electronics and metalworking industries. Our national association members are established in 20 EU countries (all member states excluding Cyprus, Estonia, Greece, Malta and Slovakia) and we also have members from Bulgaria, Croatia, Norway and Switzerland.

The engineering industries (NACE codes 28 to 33) employ some 10 million people in the EU and accounted for an estimated 1598 billion Euro of annual output in 2005, which is over a quarter of the EU's output of manufactured products and a third of the manufactured exports of the European Union.

Orgalime welcomes the Commission's Green Paper on the "European Transparency Initiative" and the opportunity to provide our comments on this paper.

We welcome the increasing transparency in the work of the institutions and the efforts being made by the different Directorates General to consult stakeholders across the board before issuing a policy or a proposal. We believe that the Commission's standards of consultation have improved markedly in recent years, although we remain concerned that consultation procedures are still often neither simple enough, nor targeted enough. We comment hereafter in greater detail on this issue and on the issue of transparency in the answers we provide to the Commission's questions.

As a trade association, Orgalime consistently represents the collective interests of engineering companies, the vast majority of which are SMEs, which would otherwise find it difficult to make their views known at an EU level. We have for over 50 years participated in the development of the regulatory framework in the EU and collaborate on a daily basis with the institutions from the preliminary stages of consultation, through the regulatory process and thereafter in the implementation phase.

Transparency and interest representation

Question *Do you agree that efforts should be made to bring greater transparency to lobbying?*

Answer Yes. Orgalime is of course happy to respect the Commission's "General principles and minimum standards for consultation".

Question Do you agree that lobbyists who wish to be automatically alerted to consultations by the EU institutions should register and provide information, including on their objectives, financial situation and on the interests they represent? Do you agree that this information should be available to the general public? Who do you think should manage the register?

Answer: Orgalime has no objections to provide all the information mentioned in this question and would agree to this information being made available to the general public, for example via the CONECCS database, where we are already registered and where we regularly update the information on our association. We do this voluntarily. We would however suggest that information such as the statutes and membership (where applicable) should be provided through a link to the organisation's web site, in order to ensure that they are easier to keep up to date.

In our opinion, the Secretariat General of the Commission should manage the register. We would of course also welcome that this register should, as a matter of course, be used by all Commission services when launching consultations. We are not convinced that this is the case today. Orgalime, however, would like to make the following comments on registration:

- We believe registration procedures should be kept as simple as possible and be common to all EU institutions. Associations are in general, like most SMEs, averse to being submitted to unnecessary administrative burdens.
- The financial information to be provided should in our opinion be:
 - that already provided in CONECCS, which has the advantage in being both clear as to the origin of funding and is also simple to update by the concerned stakeholder.
 - We believe that the stakeholder should for example provide such information on annual basis which would make the operation simpler to manage both for authorities and stakeholders.
 - Be applicable to all players whether trade unions, NGOs, lobbying consultants or trade associations.
- Orgalime insists that registration should take into account the nature of the entity that is registering: the registration of a trade association should be made under the heading "trade associations" and not under "lobbyists", which we believe is too limitative a term, which does not reflect the long standing commitment of trade associations, such as Orgalime which consistently reflect the views of their stakeholders. Moreover the term lobbyist is not perceived in a positive manner in a number of countries. Although the Commission may consider this as essentially a question of semantics, imposing a Brussels definition of lobbying will not change the perception in many countries and will only serve once again to demonstrate the lack of understanding of the institutions of national sensitivities.
- If all Commission services do not make use of such a central register for all their ad hoc consultations, Orgalime does not believe that being alerted to consultations by the EU institutions constitutes a sufficient incentive in itself to register. What we believe might constitute more of an incentive would be to simplify admission procedures to the EU institutions, with for example a single

magnetic card registering the arrival or departure of visitors (this would not prevent the institutions from requiring that visits be announced before admission is granted). The present registration procedures, in particular in the Commission are time consuming and unduly primitive. Likewise, we believe that the registration procedure in the European Parliament which requires that our personnel should obtain a certificate of good standing (“certificat de bonne vie et moeurs”) is time consuming and excessive.

Question *Do you agree to consolidating the existing codes of conduct with a set of common minimum requirements? Who do you think should write the code?*

Answer Compliance with professional ethics is, we believe, a personal matter rather than an obligation that should be imposed on organisations. We would be prepared to ensure that all Orgalime personnel involved in contacts with the Commission should commit themselves to respect a code of conduct such as the SEAP (Society of European Affairs Professionals) code of conduct, or the code of conduct listed in Annex IX, Article 3 of the Rules of Procedure of the European Parliament.

Orgalime believes that self-policing is the best approach and that the Code of Conduct should apply to individuals rather than organisations. In our experience, the institutions are usually well aware of the organisations with which they are dealing and are in a position to show the necessary discernment.

We would appreciate that the same code of conduct, if such a code is developed, should apply to all EU institutions.

Question *Do you agree that a new, inclusive external watchdog is needed to monitor compliance and that sanctions should be applied for any breach of the code?*

Answer While we believe that self-discipline would be the best approach, Orgalime would see no objection to an independent body, such as the European Ombudsman, controlling how such self-discipline is applied in practice.

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Feedback on application of minimum standards for consultation

Question *In your view, has the Commission applied the general principles and minimum standards for consultation in a satisfactory manner?*

Answer Orgalime believes that the Commission has made significant steps towards achieving clarity in its consultation procedures, notably in the area of stating its policy objectives and providing sufficient background information in clear and concise language to facilitate responses. Nevertheless we still believe that improvements are needed in particular to:

- Simplify consultation questionnaires: these are still often unnecessarily lengthy and include questions of limited relevance to the issue or which are so complex

that only a seasoned practitioner could possibly answer them. Companies, and especially SMEs, who are consulted too regularly, consider that such consultations as an irritant and an unnecessary administrative burden.

- Paying consultants to carry out studies, who then ask trade associations to provide complex data which requires research free of charge, is not an incentive for trade associations to invest heavily in such consultations.
- When consulting, we believe that is essential to involve the relevant stakeholders, including their representative associations whose answers must be given due weighting according to the constituency they represent. Associations such as those which form the Orgalime network generally have reference groups which are prepared to spend time in participating in enquiries whose outcome may impact their businesses. It is therefore only reasonable that due weight should be given to the constituency represented.
- Orgalime considers that, while the Commission should always take into account the international repercussions of any policy or proposal, consultations in non-member countries should focus on those aspects, which are relevant to such countries, such as the impact on trade. The opportunity for European associations to participate in consultations in many countries outside the EU are generally limited and we therefore believe that, in the interests of achieving a fair balance in the area of policy, a degree of reciprocity should be considered.
- Better targeted consultations: if internet consultations on issues which are of concern to the citizen are essential, using the same methodology for highly technical issues (such as for the study on the possible review of the Low Voltage Directive or the revision of the New Approach) is questionable.
- Orgalime also believes that consultation questionnaires are often biased, not providing the opportunity for respondents to answer “do nothing”: achieving a policy or goal does not necessarily pass through adopting regulation. The “no regulation” option, self-regulation and co-regulation should always be the preferred options before proposing regulation.
- Time limits for participation: while Orgalime appreciates the fact that consultation procedures must not slow down decision-making, we believe that to receive a high quality input, it is important that stakeholders should have enough time to comment. Orgalime considers that 3 months is usually a proper time frame for consultation of its membership. We are still concerned to see that the European Commission’s services are often not respecting the Commission’s own 8 week consultation period, including during the summer months when one would expect a longer consultation period.
- Acknowledgement and feedback: Orgalime welcomes the Commission’s commitment to providing feedback and acknowledgement for those who have participated in the consultation process. We believe that the Commission has indeed made progress in this area in recent years and we very much welcome this. We also endorse the proposal to make information available publicly in so far as the data transmitted to the Commission has not been provided on a confidential basis: at times, industry will only be prepared to provide sensitive proprietary business data on condition that such data should remain confidential.

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Disclosure of beneficiaries of Community funds

Question Do you agree that it is desirable to introduce at Community level an obligation to make available information on beneficiaries of EU funds under shared management?

Answer Orgalime does not see any reason to object to such a disclosure, in so far as entities are beneficiaries of public funds, except in certain sensitive areas linked, for example to security.

Question If so what information should be required at national level? What would be the best means to make this information available (degree of information required, period covered and preferred medium).

Answer We would suggest that information should be provided in as simple a form as possible, including the name of the beneficiary, the amount of funding, the programme under which such funds are provided, the purpose to which such funding is allocated and the period covered by the funding.

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Orgalime will be happy to answer any further queries that the Commission may have on the present submission which we consider as a public document expressing our views as a European trade association.