

EU lobby report 2024: Brussels in the sights of power interests Despite reforms after Qatargate EU democracy remains vulnerable to undue influence

Executive summary

Suitcases full of money, tapped phones, raids, and arrests across Brussels – at the end of 2022 the biggest corruption scandal in the history of the EU hit the European Parliament. One of its then Vice Presidents and other members of Parliament (MEPs) were suspected of having been bribed by Qatar, in order to lobby for the Gulf state and play down its human rights violations. The scandal, which became known as Qatargate, revealed far-reaching problems in the EU institutions. The EU institutions have failed to put their house in order after the scandal.

The EU Lobby Report 2024 shows how loopholes in and lax enforcement of existing ethics rules made Qatargate possible. It takes a look at wider developments in the areas of EU lobbying and transparency. And it reveals how, despite Qatargate, too little has been done to protect European democracy against undue influence – be it from authoritarian regimes or large corporations.

Key report findings:

- 1. **The EU is a magnet for lobbyists**. Over 12,000 organisations seek to influence the EU institutions. An estimated 29.000 lobbyists are regularly in Brussels lobbying the institutions. In 2023, the EU lobbyists collectively spent 1.3 billion Euros on EU lobbying money which is mainly spent by corporations and their associations, as NGOs don't indicate a lobbying budget in the transparency register. And the sector continues to grow: there are now a good 600 more entries in the EU transparency register than there were at the time of the last European elections. Since then, many new EU lobby offices have been opened in Brussels, for example, by the think tank MCC, which is close to Hungarian Prime Minister Viktor Orbán.
- 2. **Lobbying the EU institutions has never been as sophisticated and well-funded as today**. In 2024, the 50 corporations with the biggest lobby budgets alone spent almost 200.000 million Euro on EU lobbying two thirds more than in 2015. Lobbyists use numerous persuasion techniques ranging from face-to-face meetings and commissioned studies, to covert lobbying through front groups and microtargeted advertising. Their vast resources and nuanced strategies raise concerns about the EU institutions ability to resist undue influence.
- 3. **Business lobby groups outnumber and outspend other societal interests.** Over two thirds of the entries in the EU transparency register represent commercial interests. The imbalance with the public interest sector is exacerbated by business lobby groups' massive spending power and the many people they can hire. The chemical industry association CEFIC, for example, has an annual budget of 44 million Euros and 160 employees. Such means give business a strong advantage in political debates and can result in excessive influence on policies at the expense of social justice, a healthy environment and other interests.
- 4. **Commercial actors enjoy privileged access to EU decision-makers**. Examples include the lobby meetings of European Commission President Ursula von der Leyen (80 percent with business lobbyists, under 20 percent with civil society) and Germany's ambassadors to the EU (83 percent of their lobby meetings were with business, only 5 percent with civil society). In the worst case scenario such one-sided input leads to policy capture, i.e. decisions in the interest of a few rather than the many. Some MEP side jobs and the revolving door between the EU institutions and the lobby industry further increase the risk of policy capture.



- 5. **EU member states, via the Council of the EU, often do the bidding of big business**. One example is the Corporate Sustainability Due Diligence Directive (CSDDD), which aims to hold businesses accountable for human rights abuses and environmental damage. It was heavily weakened by corporate lobbyists, acting in tandem with EU member state governments. Similarly, the governments of Germany and France watered down the Artificial Intelligence Act (AI Act) on behalf of "their" national champions in the AI start-up sector. The Act is an important tool to protect people's rights against the potential negative impacts of AI.
- 6. The secrecy around key steps in EU policymaking favours rich and well-connected lobby groups. There is a serious lack of public information about negotiations between EU member states and the final EU legislative talks between Parliament, Council and Commission. This opacity makes it impossible for citizens to follow and engage in the development of new laws. At the same time it benefits lobby groups with insider contacts in the EU institutions and the resources to lobby all three of them over several months and with highly technical inputs.
- 7. **Lobbyists are using crisis narratives to delay and prevent stricter rules**. The Corona pandemic, Russia's war on Ukraine and today's multiple political and economic crises have opened a window of opportunity to campaign against "unreasonable" burdens for business. Recently, several proposed EU environmental and consumer protection initiatives have been buried or postponed from the reduction of pesticides to banning toxic chemicals in everyday products. After the upcoming EU elections, which are predicted to boost rightwing parties in the European Parliament, this trend of catering to business interests under the guise of fighting red tape could become even more pronounced a worrying outlook for climate policy and consumer protection.
- 8. **Post-Qatargate reforms have failed to put EU institutions' house in order**. For example, there is still no independent oversight and monitoring of unethical behaviour of MEPS, nor are there any sanctions that effectively deter them from wrongdoing. The EU transparency register, too, is full of loopholes and poorly enforced, allowing lobbying of EU lawmakers to easily slip under the radar. European democracy thus remains vulnerable to those wishing to covertly influence and destabilize it.

But there is also good news. The anti-corruption directive proposed by the European Commission in May 2023, for example, could bring huge improvements. It contains minimum standards for lobby rules in EU member states, including independent monitoring of compliance. At the moment, oversight and enforcement are weak spots in lobby rules in EU member states including Germany.

More importantly, it is now more widely acknowledged that lobby interference from corporate giants – for example, in the Big Tech sector – is an obstacle to effective regulation. Also, politicians are standing up against certain lobby practices. In early 2024, for example, the European Parliament decided to investigate the aggressive lobbying around EU rules to reduce waste from packaging. Shortly after, Amazon lobbyists' access passes to the Parliament were withdrawn. The company had refused scrutiny of the working conditions in its warehouses.

But a lot remains to be done for EU democracy to be effectively safeguarded against undue influence. The report ends with a list of demands, including for a "lobby control authority". This supervisory body would monitor all EU ethics and lobby rules – from the transparency register and conflict of interest regulations to cooling-off periods for public officials, who want to move to the private sector. It would have the power to investigate and sanction people who violate the rules and



be independent of the EU institutions. It would ensure that lobby rules do not just exist on paper, but are actually applied. And that decisions in the interest of EU citizens can no longer be swayed from the shadows.