Brussels
the EU quarter

Explore the corporate lobbying paradise
Corporate Europe Observatory (CEO) is an Amsterdam-based research and campaign group targeting the threats to democracy, equity, social justice and the environment posed by the economic and political power of corporations and their lobby groups.

The first edition of this condensed guide to the world of corporate lobbying in the EU quarter in Brussels was written by Corporate Europe Observatory (CEO). Helen Chandler took care of the editing, Paradigmshift.nl designed the map while puntjepuntjepuntjedus.nl did the layout. The cartoon on the front cover was drawn by Khalil Bendib, while CEO provided the photographs. Our thanks also go to all those observers of EU politics who have contributed to this guidebook by providing CEO with invaluable information.

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**Foreword**

Despite the steadily growing political power of big business, the murky world of corporate lobbying remains virtually unknown to the general public. Concerned by the impacts of corporate control over EU politics on democracy and the quality of social and environmental legislation, Corporate Europe Observatory (CEO) has been working since 1997 to shed light on the growing influence of corporate lobbyists on European Union policy-making. We publish our findings in books, articles, reports and other publications, in print and on the internet. More recently, we started organising guided tours through the EU quarter of Brussels. During these tours (roughly once a month), hundreds of students, parliamentarians and their assistants, journalists, NGO campaigners and interested citizens have been introduced to the headquarters of lobby groups, PR companies and other key players in EU-level corporate politics, located conveniently close to the corridors of power. Seeing the buildings from which corporate lobbyists work and hearing concrete examples of their influence makes what may seem to be abstract and complex issues become very real and tangible.

This guidebook is written to enable you to do a self-guided tour through the EU quarter. But even when you’re not planning a visit to Brussels, it can be read as a short introduction to an increasingly important dimension of EU politics that is rarely covered in the media. This booklet, obviously, only covers a small tip of the iceberg, but it will give you an insight into a world you may hardly have known existed. Awareness is a pre-condition for political change and for rolling back excessive corporate political power. We hope that this guidebook will inspire its readers to take action in defence of democracy, the environment and social justice.

**Warning & Request**

Things change, not least in the Brussels EU quarter – lobby groups move, new high-rise buildings pop up at unexpected locations – and so on. So if you find things recently opened or changed, please tell us and help make the next edition of the guidebook even more accurate and useful. We genuinely value all the feedback we receive. CEO reads and acknowledges every letter, postcard and email. Send all contributions to: Corporate Europe Observatory, Paulus Potterstraat 20, 1071 DA Amsterdam, The Netherlands or email us at ceo@corporateeurope.org. For news, analysis and updates see: [http://www.corporateeurope.org](http://www.corporateeurope.org)

**Facts about the Brussels EU Quarter**

Brussels has gone through a major transformation since it developed into the self-declared capital of Europe. Nowhere has the metamorphosis been more dramatic than in the European quarter in the eastern part of town. The Brussels EU quarter is essentially the four square kilometres between Avenue des Arts and Parc du Cinquantenaire. Once a wealthy residential neighbourhood known as the Quartier Léopold, with a fair amount of art nouveau architecture, over the past decades it has been converted into something resembling Gotham City, largely deserted after office hours. The area has been colonised by the ever-expanding office buildings of the EU institutions and the booming ecosystem of power brokers wanting to be located in the proximity of power. Demand for office space in the area is virtually endless and one street after another has bitten the dust to make way for usually ugly office buildings. Local residents had little choice but to move out and only 15,000 people live in the EU quarter today, most of them high-income eurocrats who can afford the skyrocketing rents. During the day, however, over 85,000 people work here, scattered over thousands of offices.

In the 1990’s, empty construction sites were a common sight in the district, but today the metamorphosis is almost complete. Little is left of the green and spacious neighbourhood that was constructed for the Belgian elite 100 years ago, modelled on Bloomsbury in London. The only reason to visit the area today is that it is one of the world’s absolute centres of power and a magnet for real and wannabee power brokers. To see eurocrats and lobbyists in action, the time to visit is during office hours and ideally around lunch time. In the evening, not to mention weekends, the area is largely abandoned.

**Getting There & Away**

The easiest way to get to the EU quarter is by taking the metro to Schuman. If you arrive in Brussels on a train stopping at Gare du Nord, you can change to a train in the direction of Louvain la Neuve or Namur/Liers and get off at the Brussels-Schuman station (or at the Brussels-Luxembourg station if you want to start your walk from the European Parliament). Umbrellas, by the way, should be standard equipment when visiting this city where it rains on average 170 days a year.
Welcome to the Brussels Lobbycracy

The complex, often unaccountable EU decision-making procedures and the lack of a truly European public debate are obstacles to democracy, but provide fertile ground for corporate lobbyists. Brussels now competes with Washington D.C. for lobbying capital of the world. The Brussels corporate lobbying scene numbers well over 1,000 lobby groups plus hundreds of public relations companies and law firms offering lobbying services, dozens of corporate-funded think-tanks as well as several hundred ‘EU affairs’ offices, run by individual corporations. Of the over 15,000 professional lobbyists estimated to work in Brussels, a clear majority represents the interests of big business. Social and environmental groups, although increasingly represented in Brussels, cannot match the financial and organisational power mobilised by industry. In fact, a large PR and lobbying firm like Hill & Knowlton may employ more people in its Brussels offices than all of the environmental groups in Brussels combined.

In the 1990’s, the European Commission (with the exclusive right to propose and develop new EU legislation) was the main focus for corporate lobbyists. As the European Parliament’s powers have gradually increased, the Parliament too has become a prime target for industry lobbyists, who have recently achieved a series of disturbing successes.

Who Lobbyists and How

According to a report issued by the European Parliament in 2003, over 70% of lobbyists in Brussels work for corporate interests, while only 20% represent NGOs (including trade unions, public health organisations, environmental groups, etc.). The remaining 10% are lobbyists promoting the interests of regions, cities and international institutions. There are sectoral lobby groups for almost every industry imaginable, from the tiny office of the European Bottled Watercooler Association, to the enormous office building providing space for the 140 employees of the chemical industry federation CEFIC. ‘Public affairs’ firms including APCO, Hill & Knowlton, GPC and Burson-Marsteller employ over a thousand people in Brussels. These lobbyists-for-hire work for industry groups and companies that can afford them, both by lobbying EU officials directly, and by providing intelligence and delivering strategic advice. One such lobbying consultancy is Kimmons & Kimmons, led by a former lobbyist for pharmaceuticals giant GlaxoSmithKline. At a training course on lobbying in Brussels, Chrissie Kimmons outlined a long list of possible lobbying strategies which industry uses depending on the circumstances, including:

- “the gunship” (aggressive lobbying including threats of relocation if policy proposals are not dropped) is only to be used if other tactics do not work
- “the Kofi Annan” (also known as “the Trojan horse”) means constructive engagement, offering governments a mutually acceptable compromise, a strategy very commonly used in Brussels
- “good-cop bad-cop” is an option if another company or lobby group takes a hardline position: this allows other companies or lobby groups to take centre-stage with what may seem like a constructive compromise solution
- “the dentist”: if a company or lobby group dislikes proposed legislation, it will try to “pull out the worst teeth” first and come back for the rest later
- “the third party”: reaching out to NGOs and unions to find a compromise on a disputed issue
- “the donkey”: is a combination of stick-and-carrot strategies in which industry tries to win over decision-makers by understanding their interests and preferences, generally stopping short of seduction and bribery.

The European Commission has the exclusive power to propose new EU legislation, and the mandate to control the implementation of EU regulations. While the Commission largely deserves its image as un-transparent and unaccountable, things are actually far worse in the Council of Ministers. Via the Council, national governments have the final say over legislative proposals made by the Commission, decisions made behind closed doors. An estimated 90% of Council decisions are taken by the Committee of Permanent Representatives (Coreper), made up of the Member States’ ambassadors to the EU, before the ministers even meet. Major decisions on the EU’s future development are made by the European Council, attended by presidents and prime ministers of the 25 member states. The powers of the once-feeble European Parliament have grown significantly in the last decades. On many issues, though still far from all, it now has powers to approve, block or adapt proposals coming from the European Commission, comparable to the role of the Council of Ministers. Over the years, the European Parliament has expanded from originally 142 members from six countries in 1957 to 732 members from 25 different countries today. Although the European Parliament buildings in Brussels are huge and still expanding, the official seat of the Parliament is in Strasbourg. Every month all 732 MEPs and their assistants make the trip to Strasbourg for one week of plenary sessions in another mega-lomaniac building.
This large roundabout, with a small park in the middle, is the heart of the EU quarter. Between noon and two o’clock in the afternoon, the footpaths are crowded with eurocrats on their way to lunch in one of the many nearby restaurants. Around this time of day, the Rond-Point Schuman is a perfect place for getting a feel for the EU quarter and for eurocrat-spotting. The square offers a perfect view of the main buildings of the European Commission and the European Council, such as the Berlaymont and Justus Lipsius buildings.

The Rond-Point Schuman is also home to the EU affairs offices of a growing number of large corporations. Take a peek at the nameplate in the lobby of the Regus centre, at number 6. Boeing and Airbus, competing for dominance of global airline markets, have their Brussels lobbying offices here, as do two major US chemical corporations, DuPont and Dow Chemical. Both are heavily involved in campaigning against tighter EU environmental and health regulations on toxic chemicals, the so-called REACH. New arrivals at this prestigious square are the EU lobbying offices of British Petroleum and tobacco and food giant Philip Morris, both at Rond-Point Schuman 11.

Rond-Point Schuman

This 1.5 kilometre, traffic-heavy boulevard is the focal axis of the EU quarter, dividing it roughly into two halves. Walking its footpaths after office hours or on the weekend is a very lonely experience. While the buildings are almost exclusively occupied by offices, the Rue de la Loi is always noisy as it is a major route for car traffic in and out of the centre of Brussels. Just before the Rond-Point Schuman, the cars go into what is essentially an underground motorway.

Centre Berlaymont

Rue de la Loi 200 is the address of the new European Commission headquarters. The 13-floor X-shaped skyscraper, nicknamed the ‘Berlaymonstre’, re-opened in the autumn of 2004 after 13 years of asbestos-related renovation and major rebuilding. At the top of the glass-covered tower, overlooking Brussels, is the new meeting room of the 25 European Commissioners, led by president José Manuel Durão Barroso. The 2,200 office rooms in the building house the 25 Commissioners, their cabinets and supporting staff, totalling some 3,000 people. The rest of the total 18,000 Commission staff are based in the buildings of the Directorates-General that are spread across the EU quarter.

Justus Lipsius

This plump, fortress-like building (Rue de la Loi 175) houses the secretariat of the European Council, with a staff of 2,400 people. Although the building covers some 240,000 square metres of floor space, it is being expanded again to accommodate the delegations of the growing number of EU member states and the bi-annual EU Summits which take place here, as of 2004. Justus Lipsius is also used for most Council sessions and for meetings of the many committees composed of technical experts and diplomats from the EU member states.

Résidence Palace

This former luxury apartment building (Rue de la Loi 155) is now primarily used for EU press conferences and other public relations events organised by lobby groups, think-tanks and NGOs. Conveniently located next door to the offices of the EU press corps are also think-tanks like the European Policy Centre (EPC), the Lisbon Council and TechCentralStation. Of the many think-tanks that have set up shop in Brussels in the last few years, the heavily industry-funded European Policy Centre probably has the highest public profile. EPC spokespeople are frequently used by the media to comment on EU affairs. On the third floor of the Résidence Palace is the Brussels office of TechCentralStation, an aggressive US right-wing think-tank riding on donations from Microsoft, Exxon and McDonalds. Since 2002, TechCentralStation has also run a European website full of the kind of furious attacks on environmental and social legislation that are more commonly associated with radio talkshows from the US mid-west.

The Charlemagne Building

This grotesquely oversized building of
Don’t be fooled by the charmless looks of this grey and noisy street, with its heavy traffic. Avenue de Cortenbergh is the high street of corporate lobbying in Brussels, a highly popular location for lobby groups and PR agencies.

Avenue de Cortenbergh 60

Behind the glass facades of this building you will find the Brussels lobbying offices of a handful of large corporations, including German chemical giant BASF, French arms and electronics producer Thales and energy conglomerate E.ON. BASF leads the industry lobbying offensive against EU attempts to regulate toxic chemicals. When BASF’s Eggert Voscherau became president of the European chemicals lobby CEFIC, he replaced the group’s fairly conciliatory approach to REACH with far more aggressive campaigning. The anti-REACH offensive may well be the largest and most irresponsible corporate lobbying campaign in EU history.

Industry 1 – People & Planet 0

Shockingly, up to 99% of all chemicals sold in the EU have not passed any official environmental or health scrutiny. Among the hundreds of thousands of untested chemicals in use, many are suspected of causing cancer, allergies, birth defects, reduced fertility and other health problems. The impacts on nature and wildlife are no less serious. The European Commission therefore put forward an ambitious proposal for the Registration, Evaluation, and Authorisation of Chemicals (REACH), which would oblige industry to demonstrate the safety of chemical products. According to the 1999 proposal, producers should register and provide crucial safety information on tens of thousands of chemicals. “Very high concern” chemicals, the Commission proposed, should be substituted by safer alternatives, if available. The chemical industry strongly disapproved. CEFIC, the association of chemical industries in Europe, has spent millions of euros on a lobbying and media campaign to delay and weaken the proposal. The anti-REACH campaign was supported by the US chemical industry and the Bush administration, with Colin Powell himself pressuring key EU governments. Under the Trade Commissioners Leon Brittan and Pascal Lamy, the EU worked in close partnership with the US to jointly defend narrow commercial interests during negotiations in the World Trade Organisation (WTO). At the WTO’s summits in Seattle (1999) and Cancún (2003), developing country negotiators refused to give in to undue EU-US pressure to accept trade deals that would primarily benefit Northern industry. New Trade Commissioner Peter Mandelson (nicknamed the Prince of Darkness for his record of political manipulation) is unlikely to bring any positive change. The Charlemagne building is also home to the Directorates-General for External Relations and for EU Enlargement.
Avenue de Cortenbergh 118
Enter the lobby of this building and have a look at the nameplate: Avenue de Cortenbergh 118 is a fascinating example of a corporate lobbying ecosystem in Brussels. The building houses the US Chamber of Commerce, the lobbying offices of food giant Unilever, the Brussels representatives of Addleshaw Goddard and other law firms specialised in EU law, as well as public relations giants like Hill & Knowlton and Burson-Marsteller. One of the most controversial PR firms in the world, recent clients have received help from Burson-Marsteller in return for hefty fees include Ahmad Chalabi's Iraqi National Congress (INCO) and the Saudi royal family (hoping to steer clear of blame post-September 11). Since June 2002, the company's Brussels office has been led by David Earnshaw, who came straight from a job at Oxfam’s Brussels team but before that was the central figure behind the industry lobby campaign for the EU’s Patents on Life directive. Back in 1998, before Earnshaw arrived, Burson-Marsteller got its fingers burned when the biotech industry hired it to develop a strategy for getting Europeans to accept and eat genetically modified food. The strategy document was leaked to the media and caused a major scandal. In its offices on the third and fourth floor of the building, Burson-Marsteller employs 45 people, some of whom run ‘front groups’ on behalf of corporate clients. An example is the Bromine Science and Environmental Forum (BSEF), which is paid by a handful of US, Israeli and Japanese chemical companies. Covering up for these wealthy customers, Burson-Marsteller uses the name BSEF to campaign against bans or restrictions on production and sales of toxic bromines.

Front Group for the Bromine Industry
Despite its name, the Bromine Science and Environmental Forum (BSEF) is not a scientific body, nor an environmental NGO. It is a corporate front group created by PR firm Burson-Marsteller on behalf of the world’s four largest bromine producers who fear a ban on their toxic products. Brominated flame retardants (BFRs) are chemical substances used in products ranging from electronics, car seats, computer casings, building materials and cables to textiles and furniture. Due to their flame retardant properties their use has boomed in recent decades. Unfortunately they pose such serious risks to human health and the environment that they are often compared to the toxins DDT and PCBs, both banned in most parts of the world in the 1970s.

When the governments of Germany, Sweden and other countries started preparing tighter regulation and a possible EU-wide ban on some of their products, the global bromine industry hired Burson-Marsteller to help out. Establishing the BSEF was part of Burson-Marsteller’s counter-strategy. In 2003 three types of bromines were banned in the EU, but the BSEF now seems to have won the battle on deca-BDEs (deca-brominated diphenyl ethers). In a controversial decision earlier this year, the EU’s risk assessment concluded that legal action could not be justified, so there will be no EU ban on deca-BDEs. Sweden may still introduce a ban of its own. The BSEF influenced the decision, for instance by sponsoring studies arguing that bromines are in fact good for the environment (as they reduce fires and therefore pollution). The group targeted European Commission officials, but it also has 6 lobbyists accredited at the European Parliament, including Burson-Marsteller heavy-weight Lawrie McLaren. BSEF has a remarkably aggressive, zero-tolerance strategy towards critics exposing the impacts of toxic bromine products. In a May 2003 letter on behalf of the BSEF, the law firm Harbottle & Lewis urged newspapers and television broadcasters not to cover the warnings against BFRs issued by WWF and other environmental groups. The letter advised the media to consult Lawrie McLaren on issues related to BFRs and ended with the following blunt notification: “We should state for the record that our clients will be monitoring future press and media coverage on the issue of BFRs, and will not hesitate to pursue all remedies available to them should there be any incorrect or inaccurate statements in relation to BFRs that adversely affect our clients’ businesses.”

Avenue de Cortenbergh 168
The 8-floor building on the corner of Rue Fulton is the headquarters of UNICE, the European employers’ federation. With around 50 staff working in their offices, UNICE is one of the biggest industry associations in Brussels. UNICE is a deeply conservative but very effective lobbying machine, producing detailed position papers and lobbying decision-makers on virtually every issue of interest to the corporate world. The power of UNICE is based not only on its work in Brussels, but also on the fact that hundreds of lobbyists from national employers’ federations repeat the same messages to the governments in the 25 capitals. An example of UNICE’s increasingly aggressive but media-savvy approach is their recent call for a moratorium on new social

Cortenbergh 118 houses PR companies and front groups, law firms and large corporations
initiatives until the EU has achieved its goal of becoming the world’s competitiveness leader.

Also in the UNICE building on Avenue Cortenbergh 168 are the offices of the European Services Forum. The ESF is a lobby coalition of large European corporations working to influence the negotiations on services liberalisation in the World Trade Organisation (WTO), known to insiders as GATS. The ESF was established in 1999 at the initiative of the European Commission, which wanted an EU-level corporate lobby group that could assist the EU in the GATS negotiations. The group helped draft the EU’s demands for services liberalisation in the rest of the world, which includes the liberalisation and privatisation of essential public services like water and education. The Services Forum continues to enjoy intimate relations with EU trade negotiators, who visit the group’s offices to discuss developments in the WTO negotiations, followed by cocktail parties.

Avenue de Cortenbergh 107
When UNICE chose Avenue Cortenbergh 168 as its new headquarters a few years ago, it was not only because of its spaciousness and state-of-the-art corporate facilities. Very conveniently, the UNICE offices are located just across the street from the European Commission’s Directorate-General for the Internal Market, known as a fierce pro-business bastion. Until the autumn of 2004, this Commission department was run by Commissioner Frits Bolkestein, a hardliner who would not rest until the Internal Market was ‘completed’. In Bolkestein’s interpretation, completion will occur only when everything has been liberalised, deregulated and privatised. His successor, Charlie McCreevy, a former Irish minister of Finance, is unlikely to depart much from Bolkestein’s heritage.

Competitiveness Craze
It was the two giants among the European lobby groups, UNICE and the European Roundtable of Industrialists, that took the lead in an industry campaign to make international competitiveness the EU’s primary policy goal. This goal was realised in March 2000 with the so-called ‘Lisbon Agenda’ which stipulates that the EU should become the world’s most competitive economic bloc by 2010 and that all policy areas should be co-ordinated to promote this goal. Since then, UNICE and the European Roundtable have worked to capitalise on the increasing obsession with competitiveness. An example is the demand to introduce so-called business impact assessments for all existing and new EU policies, which was embraced by EU governments in the spring of 2004. The EU’s Kyoto commitments for fighting climate change are first in line to be re-assessed, which may further weaken efforts to combat climate change. José Manuel Barroso has announced that the Lisbon competitiveness goals will get absolute priority during his presidency of the European Commission.

Rue Froissant
Strategically located between the buildings of the European Council and the European Commission around Rond-Point Schuman and the European Parliament premises on the other side of the Léopold Parc, the once-elegant Rue Froissant is a popular location for lobby groups. On the first and second floors of Rue Froissant 115 are the offices of two little-known but influential groups: the TransAtlantic Policy Network (TPN) and the TransAtlantic Business Dialogue (TABD).

Both are hybrid organisations where the dividing line between business and politics is blurry at best. Through the TransAtlantic Policy Network, parliamentarians and business leaders lobby together for the creation of an EU-US free trade zone by 2015. The Trans-Atlantic Business Dialogue, currently 35 major EU and US corporations, has very strong support from the European Commission and the US government for its campaign to remove obstacles to trade and investment flows. The Business Dialogue defines ‘obstacles’ very broadly, including any proposal for new environment and consumer protections that is unpopular among big business.

Transatlantic Tricksters
The idea of launching free trade talks with the US, especially at a time when an irresponsible president like George Bush occupies the White House, may seem eccentric, if not absurd. In April 2004, however, the European Parliament approved a resolution embracing the TransAtlantic Policy Network’s proposal for launching negotiations with exactly this goal. The resolution was pre-cooked by Christian-Democrat Parliamentarian Elmar Brok, who simply cut-and-pasted sentences from a TransAtlantic Policy Network document into the draft Parliament resolution. Brok is a leading member of the network and on the payroll of Bertelsmann AG, one of the network’s corporate members. A dozen or more other parliamentarians involved in the debates on this resolution, including Social Democrat MEP Erika Mann, also belonged to the network, but never disclosed their double roles.

While the TransAtlantic Policy Network concentrates on the European Parliament and the US Congress, its sister organisation the Transatlantic Business Dialogue (TABD) banks on its cosy relations with the European Commission and the US government. At the last EU-US summit, in June 2004, a heavyweight TABD delegation was invited to present its demands, such as a weakening of the EU’s chemical safety review (REACH), to the assembled EU and US leaders. Consumer groups wanting to defend REACH were refused a chance to address the summit. Since 2003 the Business Dialogue has been co-chaired by Unilever CEO Niall Fitzgerald and mainly run from the Unilever headquarters in London and Rotterdam.
Rue de la Verneine

Standing on the corner of Rue Froissart and Rue de la Verneine, you have an excellent view of the futuristic mega-ship housing the European Parliament on the other side of the valley and of the Léopold Parc. Between the Rue de la Verneine and the Rue Belliard, there’s a rare bit of wild nature, a construction site where a new luxury hotel will rise in the future. Note that the buildings in the Rue Belliard on the other side of the site are falling apart, most likely as a result of speculation. This was a very typical view in the EU quarter throughout the 1980’s and 90’s, when the neighbourhood looked like a permanent construction site. Its transformation from residential area to office quarter is now almost complete. Further down the hill along Rue de la Verneine, you can see the building on Chaussée d’Etterbeek that will be transformed into the new venue for EU summits. Summits of heads of state and government used to take place in the EU member state holding the EU presidency, but due to the rising costs (and increasingly frequent and massive demonstrations by global justice activists), this tradition has been terminated. As of 2004, all major EU summits now take place in Brussels.

Léopold Parc

This park, Brussels’ former zoo, hosts a number of influential corporate-funded think-tanks. The Bibliotheque Solvay, on the top of the hill, is a prestigious venue for public debates. The building also hosts the offices of Friends of Europe, Forum Europe and the New Defence Agenda. Forum Europe, for example, claims to be “a neutral platform for debate”. In fact, however, Forum Europe is heavily funded by corporations and has industry leaders in leading positions, just like the other groups in the building. Among the corporate heavyweights involved in both Forum Europe and Friends of Europe are baron Daniel Janssen (CEO of Solvay) and Viscount Etienne Davignon (Vice President of la Société Générale de Belgique). The New Defence Agenda (NDA), established in 2003 by veteran Brussels lobbyist Giles Merritt, receives generous contributions from major arms producers like Lockheed-Martin and BAE Systems, in return for promoting higher European military spending.

Of the three other big buildings in the park, one is used by the European Commission (the former Eastman Institute for dental corrections) and the second is a school, while the small castle on the western corner facing the European Parliament was recently bought by the Bavarian regional government. The Bavarians will use this strategically located building as their lobbying headquarters in Brussels. They have come under heavy criticism by local citizens for fencing in and de facto privatising a large part of the park.

Brussels Military-Industrial Complex

In return for donations from arms producers, the New Defence Agenda (NDA) hosts debates, publishes reports and offers other public relations services. The price for a public debate or a report presenting a message chosen by the client is between 15,000 and 30,000 euros. For the arms companies, the NDA is a very convenient cover so that their self-serving agendas are not directly exposed. Like almost all industry sectors, the arms producers have discovered the EU’s obsession with international competitiveness, which they find a useful hook for demanding higher defence spending. The EU’s current ‘low’ defence spending (on average 3% of GDP compared to around 6% in the US) is presented as an obstacle to European competitiveness. NDA has close relations to both the NATO secretariat in Brussels and the European Commission’s DG Research which is eager to boost EU investment in military research. Among several other arms industry lobby groups in Brussels are the European Association of Aerospace Industries (AECMA) and the European Defence Industries Group (EDIG).
Rue Wiertz

Between the entrances to the two main buildings of the European Parliament in Rue Wiertz, is a small tree with a story to tell. The tree was planted in 2001 as a gift to the European Parliament from the Society of European Affairs Professionals (SEAP), the group representing the interests of professional lobbyists in Brussels. This prominently located tree can be seen as a triumphant monument celebrating the very significant role of lobbying in the European Parliament’s decision-making. SEAP’s gift could, however, also reflect the nagging feeling among lobbyists that their profession still has a bad reputation, especially outside of the Brussels bubble.

The huge Léopold complex housing the European Parliament totals over 700,000 square metres and new buildings are still being added. On Rue Wiertz 50, right next to the European Parliament, over 25 companies and lobby groups have found ideally located office space, including Weber Shandwick – with over 55 staff one of the biggest PR firms in Brussels and very active in lobbying the EP. One of Weber Shandwick’s neighbours in the building is the International Council for Capital Formation, a subsidiary of a US think-tank fighting to avoid environmental legislation which it considers an unnecessary cost for business.

Parliament Teeming with Lobbyists

In March 2004, the Society of European Affairs Professionals (SEAP) sent a letter to the president of the European Parliament, complaining that there were not enough seats and headphones for the lobbyists. The incident shows just how much the number of lobbyists targeting the European Parliament has increased in the last decade. Almost 5,000 lobbyists are now accredited and equipped with a fulltime access pass to the Parliament buildings. Among these lobbyists – listed by name and organisation in the Parliament’s online register – industry outnumbers NGOs by a factor of 6-1. Lobbying has become an integral part of policy-making in the European Parliament, to the extent that substantial parts of the resolutions and amendments are drafted by industry lobbyists. Speaking at a training course for lobbyists, Liberal-Democrat MEP Chris Davies explained: “I need lobbyists, I depend on lobbyists”. Due to the work pressure and complexity of issues on the agenda of the European Parliament, Davies explained, he was eager to receive specific industry amendments to proposed legislation. Davies submits these amendments for voting in the European Parliament and many become EU law. With this kind of dubious political culture it is no surprise that, after their time in the Parliament, many MEPs go through the revolving door to big business. One of many examples is UK Liberal Democrat MEP Nick Clegg who joined the Brussels team of PR and lobbying firm GPlus Europe this spring. When Labour MEP David Bowe was not re-elected in June 2004, he announced in the European Voice (widely read within the Brussels bubble) that he was looking for a job in consultancy. “All offers will be considered,” he stated.

Place & Rue du Luxembourg

Place du Luxembourg

This newly renovated square is a favourite lunch and cocktail venue for eurocrats and lobbyists alike. Brussels has the highest number of restaurants per head in Europe, which has everything to do with the lunch-meeting culture of the EU institutions and tax-payer-funded expense accounts. What used to be the entrance to the Léopold station will become the new main entrance of the European Parliament. This will make Place du Luxembourg even more of a hotspot for power lunches than it is already.

Rue du Luxembourg

This street is undergoing a major transformation as its popularity as office space for lobby groups is peaking. It may indeed soon surpass Avenue de Cortenbergh as the highstreet of corporate lobbying in Brussels. Already today, the street hosts dozens of PR firms and corporate offices, such as Grayling (Rue du Luxembourg 14A) which specialises in lobbying advice for trade associations. The anonymous-looking building at Rue du Luxembourg 23 hosts a dozen firms and organisations, including the European Seeds Association and the Centre for the New Europe. The European Seeds Association is one of the main pro-biotech lobby groups operating in Brussels, together with EuropaBio and the large biotech corporations (Monsanto, Bayer, Syngenta and Pioneer). A major ESA priority is to weaken the EU Seeds Directive which establishes labelling requirements and limits for genetically modified seeds. The Centre for the New Europe is one of the new generation of hard-line right-wing think-tanks that have set up shop in Brussels. The Centre’s ideology and style resembles that of US think-tanks like the Heritage Foundation and the Competitive Enterprise Institute.
Rue Guimard

The small streets between Rue Belliard and Rue de la Loi are also favourite locations for the lobbying sector. Rue Guimard 15 is the address of law firm Herbert Smith, whose Brussels offices are specialised in World Trade Organisation (WTO) law. The firm's most famous consultant is Lord Brittan of Spennithorne, also known as Leon Brittan, the former European Trade Commissioner. Brittan, working from his London offices, is advising clients on exactly the same issues which he was responsible for as an EU Commissioner. Less than a year after leaving the European Commission, Brittan had not only joined Herbert Smith, but also become Vice-Chairman of the investment bank UBS Warburg and Advisory Director at Unilever. Soon after, Brittan also became the Chairman of the High-Level LOTIS Group of International Financial Services London (IFSL), a lobby group representing the UK financial industry. Brittan is only one of many examples of EU Commissioners and other Commission officials passing through the revolving door to industry.

Rightwing Revolution in Brussels?

In the US, right-wing think-tanks like the American Enterprise Institute have for decades played a major role in shaping the public debate and government policies in the interests of their corporate sponsors. In Brussels, outfits like TechCentralStation and the Centre for the New Europe (CNE) could once be disregarded as loony fringe, but there are now signs that their hard-line messages are becoming accepted in the mainstream of the EU political debate. CNE consists of dogmatic free-marketeers who want to privatise just about anything, including healthcare. One of their regular activities is the parliamentary assistants forum ('free pizza and beer'), which features attacks on EU environmental policies based on 'junk science'. CNE, with around 15 paid staff and seemingly no lack of money, is increasingly often quoted in influential media like the European Voice. When Italy's defence minister Antonio Martino received CNE's Adam Smith award for 2004, he compared CNE to the think-tanks which provided intellectual ammunition for Margaret Thatcher's right-wing revolution in the UK in the 1980's. The no less extreme TechCentralStation is also working its way into the mainstream, for instance by co-organising conferences with the Christian-Democrat parliamentary group (PPE) in the European Parliament. TechCentralStation.be is the Brussels-based subsidiary of a US website, sponsored by corporations like Exxon, McDonalds and Microsoft. It features columns written by US and European hard-line right-wingers, denouncing any piece of progressive legislation under discussion.

Genetic Battlefields

The two heavyweights in the biotech lobby in Brussels are the umbrella groups EuropaBio (representing the entire biotech sector) and the European Seed Association (ESA). The four largest biotech corporations - Monsanto, Syngenta, Pioneer (DuPont) and Bayer - are members of both groups, but also have their own lobbying offices in Brussels.

The biotech industry pulled off a disturbing success when the controversial Life Patent Directive (allowing the patenting of genes, cells, animals, plants, parts of the human body and human embryos) was approved in 1998, after one of the most expensive and manipulative lobbying campaigns ever seen in Europe. In the following years, however, the consumer backlash against genetically modified (GM) crops has brought far harder times for industry lobbyists. While the European Commission has always been supportive of biotech, many national governments turned sceptical and for several years blocked the authorisation of any new biotech products. Several key pieces of EU legislation have been developed since then to overcome the deadlock, involving fierce lobbying wars between industry and environmentalists. The biotech battle rages on, as EU decision-makers prepare to finalise rules on "co-existence" (between genetically modified crops, conventional and organic agriculture) and the "Seeds Directive" which is to establish thresholds for the percentage of GM seeds above which labelling is required.
The many cases of corporate power abuse described throughout this guidebook show that the EU is in danger of becoming a true lobbycracy. Fortunately, business does not always win, but corporate control over EU policy is increasing and urgent action is needed to stop the EU’s political processes from deteriorating further. Turning the tide will require concerted pro-democracy campaigning, as well as a rejection of the neoliberal market fundamentalism which is such an essential part of the problem. Indeed, nothing will do more to undermine corporate power than citizens across Europe refusing to sacrifice social and environmental progress in the pursuit of ‘international competitiveness’.

Lobbying Transparency and Ethics?
With a broad coalition of civil society groups, CEO is campaigning for far tighter regulations and transparency requirements on lobbying at the European institutions. At the moment, EU rules on lobbying are absurdly weak. At the very minimum, corporations, PR firms and lobby groups (with a lobbying budget over a to-be-defined minimum amount) should be obliged to submit comprehensive reports on which issues they are lobbying on, for which clients and with what budget. These reports should be fully accessible to the public in an online searchable database. While this would be far from sufficient to curb excessive corporate power, such transparency would enable parliamentarians to know who is lobbying them (and their colleagues!), help the media to increase their scrutiny of corporate lobbying campaigns and also provide civil society with a potent tool for counter-campaigning.

Guided Tours of the EU quarter
CEO invites you to join one of our guided tours. See our website for upcoming tour dates. We are also open to host tours for specific interested groups (within our capacity). Contact us if you would like to discuss this possibility. In January 2005, we will launch an online interactive "cyber-tour" of the EU quarter on our website, featuring text, images, sound, video, interactive maps and much more.

Further Reading & Research
On our website you can also find background reading on all of the issues we have mentioned in this guidebook. Far more monitoring and research is needed to expose corporate manipulations of the political process. We would like to encourage all readers to get involved in this effort.

Go to: www.corporateeurope.org/lobbycracy.html
Email us at: ceo@corporateeurope.org

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Outside the EU Quarter
While most lobbyists prefer proximity to the EU institutions, corporate lobby offices in Brussels are by no means limited to the four square kilometres of the EU quarter. Some of the most powerful corporate groupings have chosen offices elsewhere in Brussels. The EU Committee of the American Chamber of Commerce (Am-Cham), for instance, is located just on the border of the EU quarter (Avenue des Arts 50). AmCham, which lobbies the EU institutions on behalf of large US corporations, operates similarly to the employers’ federation UNICE, spitting out position statements on virtually any issue that may affect the corporate bottom-line. The AmCham offices, by the way, are situated close to the building of the United States Mission to the EU (Rue Zinner 13), itself arguably one of the most powerful lobbies in Brussels. A very prominent player that is not headquartered in the EU quarter is the European Roundtable of Industrialists (ERT). The location of the Roundtable’s offices in a posh building on the eastern outskirts of Brussels (Place des Carabiniers 18a) reflects the fact that this club of 45 large corporations rarely engages in day-to-day lobbying towards the European Commission or the Parliament on detailed policy issues. In the task division among corporate lobby groups, the Roundtable plays the forward-looking, agenda-setting role. Using its high-level access to both the European Commission and EU governments, the ERT was instrumental in paving the way for major undertakings like the Internal Market and the single currency, shaped to fit the interests of corporate giants like Suez, Nestlé, Thyssen-Krupp, Solvay and Renault. The Roundtable’s most recent report is titled “Turkey – a New Corporate World for Europe”.

While the headquarters of the European Roundtable of Industrialists (ERT)
From the futuristic and oversized buildings of the European Union institutions to the innumerable lobby offices of corporations, PR firms, think-tanks and industry groups – this guide will help you to discover the EU quarter of Brussels, Europe’s corporate lobbying capital.

- map of the EU quarter
- special section on the area’s transformation from residential model neighbourhood to concrete office jungle
- in-depth coverage of how the EU is rifting towards lobbycracy
- extensive overview of corporate campaigns undermining social and environmental progress
- suggestions for action to curb corporate power

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