

# Brussels the EU quarter



Explore the corporate lobbying paradise

CEO



CORPORATE  
EUROPE  
OBSERVATORY

# This Guide

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This concise guide introduces you to the hidden world of corporate lobbying in Brussels.

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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.

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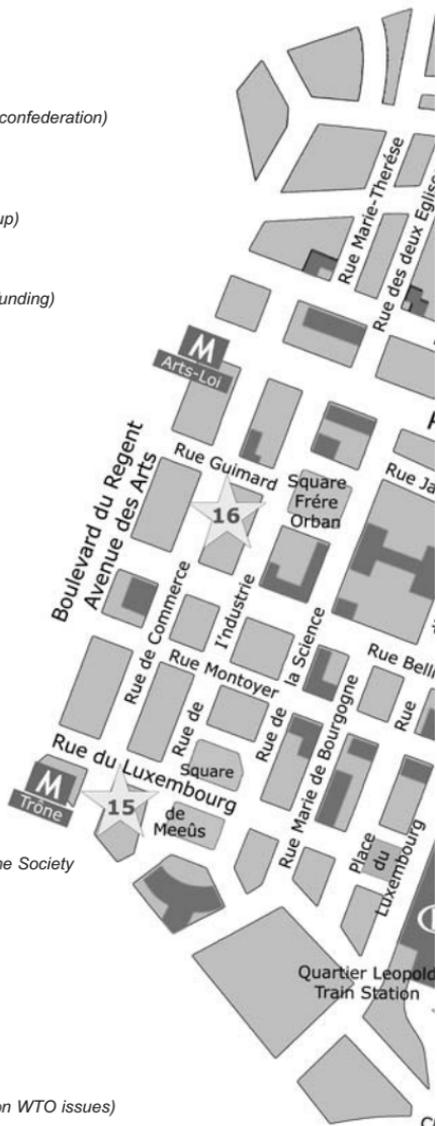
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# MAP OF HOTSPOTS IN THE BRUSSELS EU QUARTER

The stars on the map indicate where you can find the buildings described in this guide:

- 1 Berlaymont (Rue de la Loi 200)** : European Commission headquarters
- 2 Justus Lipsius (Rue de la Loi 175)** : Headquarters of the EU Council of Ministers
- 3 Avenue de Cortenbergh 60** : BASF lobbying headquarters
- 4 Avenue de Cortenbergh 107**  
Directorat-General Internal Market
- 5 Avenue de Cortenbergh 168**  
Headquarters of UNICE (European industrial and employers confederation)  
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- 7 Residence Palace (Rue de la Loi 155)**  
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TechCentralStation (ultra-liberal US think tank)
- 8 Charlemagne Building (Rue de la Loi 170)**  
Directorat-General Trade  
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Directorat-General Enlargement
- 9 Regus Building (Rond-Point Schuman 6)**  
Dow Europe (US chemicals giant)  
DuPont (US chemicals giant)
- 10 Rue Froissart 115**  
Transatlantic Policy Network (EU and US parliamentarians and business leaders)  
Transatlantic Business Dialogue (TABD)
- 11 Rue de la Verveine**  
Building site reconquered by nature  
View on buildings European Parliament
- 12 Bibliothèque Solvay (Léopold Parc)**  
Friends of Europe, Forum Europe (think tanks depending on corporate funding)  
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- 13 Rue Wiertz**  
European Parliament – Espace Léopold complex  
Round-about with tree and memorial stones (sponsored by the Society of European Affairs Professionals)
- 14 Léopold Parc Building (Rue Wiertz 50)**  
Weber Shandwick (PR and lobbying firm)  
International Council for Capital Formation (US think tank)
- 15 Rue du Luxembourg 23**  
Centre for the New Europe (ultra free market think tank)  
European Seed Association (pro-biotech lobby group)
- 16 Rue Guimard 15**  
Herbert Smith (international law firm specialised in lobbying on WTO issues)





# 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 put the spotlights on lobbying in Brussels. We publish our findings in print and on our website [www.corporateeurope.org](http://www.corporateeurope.org).

Since a few years, Corporate Europe Observatory organises guided tours through the EU quarter of Brussels. In this way we have introduced hundreds of students, parliamentarians and their assistants, journalists, NGO campaigners and interested citizens to the hidden world of corporate lobbying in Brussels. During the tours we show a selection of the many headquarters of lobby groups, PR companies and other key players in EU-level corporate politics, located conveniently close to the corridors of power. In front of the actual buildings from which corporate lobbyists work, tour participants get concrete examples of the impact these lobbyists have on EU decision-making.

This guidebook allows you to make your own exploratory lobby tour through the EU quarter. And even when you're not planning a visit to Brussels, this guide provides a good and concise introduction to an increasingly important dimension of EU politics that is rarely covered in the media. Although this guide only covers a fraction of all lobbying going on in Brussels, it will give you some 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 be a source of inspiration for 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. When you spot such changes, please tell us, so that we can keep this guide up-to-date and make it more accurate and useful.

We genuinely value all the feedback we receive and we read and acknowledge every letter, postcard and email.

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# Facts about the Brussels EU Quarter

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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. Once a wealthy residential neighbourhood known as the Quartier Léopold, with a fair amount of art nouveau architecture, over the past decades it was transformed into some kind of 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.

The Brussels EU quarter is essentially the four square kilometres between Avenue des Arts and Parc du Cinquantenaire. 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 deserted.

## Getting There & Away

The easiest way to get to the EU quarter is by taking metro line 1A or 1B and get off at Schuman. If you arrive by train, you could also take a train in the direction of Louvain la Neuve or Namur/Liers and get off at Brussels-Schuman station (or at Brussels-Luxembourg station if you want to start your walk from the European Parliament). Don't forget to bring an umbrella, as it rains on some 170 days a year in Brussels according to local weather statistics.

## Who Lobbies and How

The total number of lobbyists in Brussels is unknown, but their total number is estimated to be around 15,000. Over 70% works directly or indirectly for corporate interests, some 20% represent the interests of regions, cities and international institutions while only around 10% represent non-governmental organisations, including trade unions, public health organisations or environmental groups.

Almost every industry imaginable has its own sectoral lobby group in Brussels, varying from the tiny European Bottled Watercooler Association, to the chemical industry federation CEFIC with over 140 employees in a big building on Avenue E. Van Nieuwenhuysse, outside the EU quarter. Many firms specialise in 'public affairs' (PA) and 'public relations', employing a total of well over a thousand people in Brussels. The five biggest PR and PA firms in Brussel are (in alphabetical order): APCO, Burson-Marsteller, Fleishman-Hillard, Hill & Knowlton and Weber Shandwick. These firms are hired by industry groups and companies to lobby EU officials or to provide their clients with intelligence and 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 (only to be used if other tactics do not work)*

- **'the Kofi Annan'** (also known as 'the Trojan horse')

*constructive engagement, offering decision-makers a mutually acceptable compromise (a strategy very commonly used in Brussels)*

- **'good-cop bad-cop'**

*one company or lobby group takes a hardline position, which allows others to take centre-stage with what may be presented as constructive compromise solutions*

- **'the dentist'**

*first 'pull out the worst teeth' from a disliked piece of legislation and then come back for further 'treatment'*

- **'the third party'**

*reaching out to NGOs and unions to find a compromise on a disputed issue*

- **'the donkey'**

*winning over decision-makers by capitalising on their interests and preferences, but stopping short of seduction and bribery*

# Welcome to the Brussels Lobbycracy

The complex, often unaccountable EU decision-making procedures and the lack of a truly European public debate make Brussels into a paradise for corporate lobbyists. Brussels now competes with Washington D.C. for being the global capital of lobbying. 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 environ-

mental groups, although increasingly represented in Brussels, cannot match the financial and organisational power mobilised by industry. The European chemical industry federation CEFIC alone for example has more lobbyists in Brussels than all environmental organisations together.

The European Commission, which has the exclusive right to propose and develop new EU legislation, is one of the main targets for lobbyists. But as the European Parliament's powers have gradually increased, more and more lobbyists are active there.

## The Most Lobbied EU Institutions

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 is often perceived 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 megalomaniac building.

# Rond-Point Schuman

Standing in the little park in the centre of this roundabout you are really at the heart of the EU quarter. Looking westward along the Rue de la Loi you have the futuristic headquarters of the European Commission on your right and the pink fortress of the Council building on your left. Between noon and two o'clock in the afternoon, the pavements around are crowded with eurocrats and lobbyists on their way to some 'power lunch' in one of the many nearby restaurants.

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, com-

peting 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 number 11.



*Headquarters  
of the EU  
Council of  
Ministers*

# Rue de la Loi

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.

The first part of the Rue de la Loi is rather quiet, but a few hundred metres to the west a steady stream of cars emerges from an underground road tunnel, heading for the centre of Brussels along this grim, office-lined highway.

## 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 press conferences and public relations events organised by lobby groups, think tanks and NGOs in the **International Press Centre** on the ground floor. Many media organisations have their office in the building, as well as think tanks like the **European Policy Centre (EPC)**, the **Lisbon Council** or the journo-lobbying website **TechCentralStation**. Of the many think tanks that have set up shop in Brussels in the last few years, the European Policy Centre (which is heavily dependent on industry funding) probably has the highest public profile. EPC spokespeople often feature in the media as 'neutral commentators' on EU affairs. On the third floor of the Résidence Palace you find the Brussels office of **TechCentralStation**, an aggressive US journo-lobbying website funded by companies like Microsoft, Exxon and McDonalds. The website [www.TechCentralStation.be](http://www.TechCentralStation.be) is full of the kind of furious attacks on environmental and social legislation that are more commonly associated with radio talk-shows from the US mid-west.

## The Charlemagne Building

This grotesquely oversized building of steel and glass (Rue de la Loi 170) is home to the **European Commission's Directorate-General Trade**, which represents the EU during international trade negotiations. Since 1997, DG Trade has been under permanent siege by civil society

groups who argue that trade policies must serve global environment and equity goals. 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 is unlikely to bring any positive change. Mandelson, who briefly served as Minister of Trade and Minister of Northern Irish under Tony Blair is known as the 'Prince of Darkness' in his home country. He has been associated with dubious lobbying practices and has a reputation as political manipulator.

The Charlemagne building is also home to the **Directorates-General for External Relations** and for **EU Enlargement**.



*Residence Palace and the construction site for the future location for EU Summits*

# Avenue de Cortenbergh

Don't be fooled by the charmless looks of this grey and noisy street: Avenue de Cortenbergh is one of the 'main streets' of lobbying in Brussels. You can find several representational offices of EU member states and regions, next to buildings housing a diverse range of lobbying and PR firms.

## **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 chemi-

cal 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 new leadership of BASF, CEFIC intensified its anti-REACH campaigning in 2002, using the magic word: 'competitiveness'. REACH, industry argues, would endanger the EU's 'Lisbon Agenda' goal of becoming the world's most competitive economy by 2010. Industry-funded consultants' studies presented wildly exaggerated estimates of the likely costs for industry and job losses resulting from REACH. The UK, German and French government soon joined the chorus of REACH-bashers. In Brussels, the chemical industry lobby massively outnumbers the NGOs defending tighter health and environmental rules.

As a result of this overwhelming pressure, the revised REACH proposal that was presented by the Commission on 29th October 2003 was a major step backwards. In the new proposal, testing and licensing requirements were dramatically weakened, while many loopholes for toxic chemicals were left in place. Unless a major civil society offensive gets off the ground, the prospects for improved EU chemicals regulation seem rather bleak. The European Parliament is expected to vote on the REACH proposal in the second half of 2005.

## Avenue de Cortenberg 118

Enter the lobby of this building and have a look at the nameplate: Avenue de Cortenberg 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 a two major public relations firms: **Hill & Knowlton** and **Burson-Marsteller**.

Burson-Marsteller is one of the most controversial global PR firms. Recent clients to have received help from Burson-Marsteller in return for hefty fees include Ahmad Chalabi's Iraqi National Congress (INC) and the Saudi royal family (hoping to steer clear of blame post-September 11).

David Earnshaw, one of the managing directors of the Burson Marsteller's Brussels office, came straight from a job at Oxfam's Brussels team. Before his short stint at Oxfam, Earnshaw was a key figure in the corporate lobby campaign for the EU's Patents on Life directive. Around that time, in 1998, 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 circa 45 people. Some of them run 'front groups', created 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 compa-

nies. 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.



Nameplates in the lobby of Avenue de Cortenberg 118

## 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 feared a ban on brominated flame retardants.

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 most of the brominated flame retardants pose serious risks to human health and the environment, and they are often compared to DDT and PCBs, toxic chemicals that were banned in most parts of the world in the 1970s. In 2003 three types of bromines were banned in the EU, but the most common type (deca-BDEs) was approved through a controversial decision of the official EU risk assessment body.

Through the BSEF, the bromine industry sponsors scientific studies that conclude that bromines are in fact beneficial for the environment (as they reduce fires and therefore pollution). In this way the bromine industry tries to subtly influence the political debate in Europe on the environmental and health risks of bromine flame retardants. The BSEF primarily targets EU experts that conduct the EU risk assessments, but it also has several lobbyists accredited at the European Parliament, including Burson-Marsteller heavyweight Lawrie McLaren.

BSEF has repeatedly tried to silence critics exposing the potential risks of toxic bromine products. In May 2003 several newspapers and tv stations received a letter in which the law firm Harbottle & Lewis, writing on behalf of the BSEF, urged them not to cover the warnings against BFRs issued by WWF and other environmental groups. The letter ended with a 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 initiatives until the EU has achieved its goal of becoming the world's competitiveness leader.

Also in the UNICE building on Avenue de Cortenberg 168 are the offices of the **European Services Forum (ESF)**. 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 Cortenberg 107**

When UNICE chose Avenue de Cortenberg 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 proposal for liberalisation of the internal market for services is known as the 'Bolkestein Directive' amongst opponents.

Bolkestein's successor, Charlie McCreevy, a former Irish minister of Finance, is unlikely to depart much from Bolkestein's heritage.

### **Competitiveness Craze**

Through the lobbying efforts of UNICE and the European Roundtable of Industrialists, international competitiveness has become the EU's primary policy goal. According to the 'Lisbon Agenda', (launched in March 2000) the EU should become the world's most competitive economic bloc by 2010. Capitalising on the increasing EU obsession with competitiveness, UNICE and the European Roundtable have already won that all existing and new EU policies is now to be tested on possible negative impacts on business in so-called 'business impact assessments'. 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. Upon assuming office in late 2004, José Manuel Barroso announced that as president of the European Commission he will give absolute priority to the Lisbon competitiveness goals.

# Rue Froissart

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 Froissart is a popular location for lobby groups. On the first and second floors of Rue Froissart 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 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 Neville Isdell (CocaCola) and Niall Fitzgerald (Reuters). In Europe, Unilever facilitates the coordination of the TABD.

# Rue de la Verveine

Standing on the corner of Rue Froissart and Rue de la Verveine, you have an excellent view of the futuristic megaspaceship housing the European Parliament on the other side of the valley and of the Léopold Parc. The rare bit of fenced wild nature between Rue de la Verveine and Rue Belliard is the site for a future new luxury hotel. Note the row of delapidating houses on the other side of Rue Belliard – most likely as a result of speculation. Such empty facades and derelict building sites used to be very common throughout the EU quarter, when the neighbourhood was under perma-

nent reconstruction. Its transformation from residential area to office quarter is now almost complete. Further down the hill along Rue de la Verveine, you can see the construction works along the Chaussée d'Etterbeek. This will become 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.



*The transformation of the EU quarter from residential neighbourhood to office area is now almost complete*

# Léopold Parc

After having served as location for the Brussels Zoo, the Léopold Parc was converted into the campus of the Université Libre Bruxelles at the turn of the 20th century. The stylish Bibliothèque Solvay, on the top of the hill, hosts the offices of three influential think tanks: **Friends of Europe**, **Forum Europe** and the **New Defence Agenda**. These think tanks use the art deco library as a prestigious venue for debates and meetings. All three organisations are directed by former journalist and veteran Brussels lobbyist Giles Merritt.

**Forum Europe**, misleadingly claims to be “a neutral platform for debate.” But like the other organisations in the Bibliothèque Solvay, Forum Europe is heavily depended on the financial contributions of large corporations. Corporate leaders like Baron Daniel Janssen (Tractebel) and viscount Etienne Davignon (Suez-Tractebel) occupy advisory positions both at

Forum Europe and Friends of Europe.

The **New Defence Agenda (NDA)**, established in 2003 by 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 own 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

The small and inconspicuous tree on the small roundabout next to the towering glass facades of the European Parliament at Rue Wiertz has a story to go with it. As you can read on the memorial stones, the tree was planted in 2001 by the Society of European Affairs Professionals (SEAP), the group representing the interests of professional lobbyists in Brussels. By planting this tree on such a prominent place, SEAP probably wanted to celebrate the key role of lobbying in the EU decision-making. But the tree could also be seen as an attempt by the lobbyists to improve the bad reputation of their profession.

The huge Léopold complex housing the European Parliament totals over 700,000 square metres. But with the EU enlargement from 15 to 25 member states, the building is not big enough anymore, and a new wing is

being built at the side of Luxembourg Square.

Pass the entrances of the Parliament buildings (not the Euro statue on your left) and follow the Rue Wiertz uphill. The anonymous office building at nr. 50, right next to the European Parliament, houses a few dozen international media organisations, as well as Weber Shandwick – with over 55 staff one of the biggest PR firms in Brussels. Weber Shandwick has four lobbyists accredited at the European Parliament next door.

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 the steady increase of the number of lobbyists in Brussels. Of the estimated 15,000-20,000 lobbyists in Brussels, some 5,000 lobbyists are accredited at the European Parliament. And have a full-time access pass to the Parliament buildings. Among these lobbyists – listed by name and organisation in the Parliament's online register – industry outnumbered 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." He emphasized that as an MEP he can only cope with the work pressure and complexity of issues on the European Parliament agenda, by using input from lobbyists, including specific industry amendments to proposed legislation.

# 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 into one of the central meeting places in the European quarter.

## 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 high street 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 large biotech corporations like 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 (CNE) 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.



*Place du Luxembourg undergoing major transformation*

## Biotech lobby battle

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.

In 1998, the biotech industry targeted the European Parliament with one of the most expensive and manipulative lobbying campaigns so far. As a result, the EP approved the controversial Life Patent Directive, allowing companies to patent genes, cells, animals, plants varieties and parts of the human body.

But after this disturbing victory the consumer backlash against genetically modified (GM) crops has brought far harder times for biotech lobbyists. While the European Commission remained supportive of biotechnology, many member state governments were much more reserved. As a result the authorisation of any new biotech products in the EU was blocked for several years. The European Commission tries to break this deadlock by developing key pieces of legislation. This situation has led to a fierce lobby battle between the biotech industry and environmental and consumers organisations which still rages on today.



# 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.

The 'fellows' of the Centre for the New Europe are dogmatic free-marketeers who would like to privatise just about anything, including healthcare. One of the CNE's 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 rightwingers, denouncing any piece of progressive legislation under discussion.

# 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 (AmCham)**, 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 headquarters of the European Roundtable of Industrialists (ERT)*

# Turning the Tide

The many cases of corporate power abuse described throughout this guidebook show that the EU is in danger of becoming a true lobbyocracy. 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

Since late 2004, Corporate Europe Observatory, together with a broad coalition of civil society groups from all over Europe, is campaigning for effective EU disclosure and ethics rules for lobbyists, with a focus on transparency. 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 regular reports providing details on content, clients and budget of their lobbying activities. These reports should be fully accessible to the public in an online searchable database.

EU lobbying disclosure rules would not solve all problems caused by excessive corporate power. But a European lobbying register would be an effective tool for parliamentarians to know who is lobbying them (and their colleagues!), help journalists

scrutinise corporate lobbying campaigns and 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. And if you can't make it to Brussels, you can go to [www.eulobbytours.org](http://www.eulobbytours.org) and do our online 'cyber-tour' of the EU quarter.

## Further Reading & Research

On our website you can 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.

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# lobby planet



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
- concise background information
- in-depth coverage of increasing influence of lobbyists in Brussels
- info on some of the major corporate lobbying campaigns of the past years
- suggestions for action to curb corporate power

Also available from Corporate Europe Observatory:



One of the most useful guides to the murky world of international corporate politics ever published

- *George Monbiot*

The Corporate Europe Observatory team successfully breaks the silken veil protecting the lobbies of transnational corporations.

- *Susan George*

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