

# Anti-Corruption group finds fault with European Union



A prominent anti-corruption group on Thursday plans to report serious shortcomings in the management and governance of the European Union's core institutions, as public confidence in Brussels remains at a low before elections next month.

In a 250-page report, the group, Transparency International, recommends tightening regulation of lobbying, reducing conflicts of interest, enhancing protection for whistle-blowers and curbing secret deal-making in sensitive policy areas like financial services.

Weak enforcement of the existing rules means that *"corruption risks persist at the E.U. level"*, the report warned, saying the risks contribute to public skepticism of *"the commitment of politicians and bureaucrats to a more open and ethical style of government."*

A series of prominent scandals in recent years have included the resignation of a European commissioner in the face of suspicions he knew about attempted bribery to soften anti-tobacco legislation, and the prosecution of lawmakers for agreeing to large payments in exchange for proposing amendments at the European Parliament.

Europeans have also suffered a more general loss of confidence in their ability to influence policy at a time of concerns about their prosperity and security after five years of economic anxiety.

Less than a third of the public trusts the European Union, according to the most recent Eurobarometer poll, published in December by the European Commission. That figure was down from

57 percent in spring 2007, before the start of the financial and sovereign debt crises.

In the past, Transparency International has examined international agreements like the United Nations Convention Against Corruption. The group also produces an annual global Corruption Perceptions index that ranks countries based on perceived levels of public sector misconduct.

But the report on Thursday is the group's first head-on assessment of an international body like the European Union. The aim, the group said, is to urge the union's institutions, like the European Parliament and European Commission, to enforce existing rules and make necessary changes to improve public decision-making in Europe.

But whatever encouragement the report might provide toward those ends, the findings could bolster the views of critics who say some of European institutions are not worth saving because they have become elitist and unaccountable. Rising discontent with the union is expected to aid candidates from populist parties and other groups skeptical of the European project, who are expected to win a record number of seats at the European Parliament.

The Parliament, the only directly elected institution in the European Union, was the subject of particularly tough criticism by Transparency International, which cited a lack of cooperation by the lawmakers while it gathered research from June 2013 to February 2014.

*"We met delays, prevarications and long silences by the authorities at the Parliament, and we find that acutely worrying in light of the body's growing powers,"* Carl Dolan, the director of the European office of Transparency International in Brussels, said ahead of the report's publication. *"The attitude of the Parliament's hierarchy shows that there is a tendency there to circle the wagons and take*

*the attitude of, 'You're either for us or against us,' "* he said.

A spokeswoman for the Parliament, Marjory van den Broeke, said that the institution was already the subject of rigorous scrutiny from other European bodies and that there was no reason to give more access to Transparency International than to other nongovernmental organizations. *"Compared to other parliaments, it's a very transparent parliament,"* Ms. van den Broeke said.

Other institutions, including the European Commission, the union's administrative arm, took a more helpful approach by granting interviews with senior administrators, Mr. Dolan said.

Political analysts, including Vivien Pertusot, the head of the Brussels office of the French Institute of International Relations, are predicting that nearly 20 percent of the 751 Parliament seats up for election in May will be won by parties that are intent on reining in the European Union's power, like the National Front in France and the U.K. Independence Party in Britain.

*"The E.U. is going to have to find a way to address intense criticism from these protest parties over issues like corruption,"* said Mr. Pertusot, who had not yet seen the report by Transparency International.

Mr. Dolan said his group was publishing the report now because it wanted to participate in the debate about the future of the bloc since the financial crisis, which had shaken confidence in the European institutions.

*"This report should not give any comfort to euro-skeptics, because it shows there is a good foundation in the rules and regulation in place, and that what we need now is proper follow-up and enforcement,"* Mr. Dolan said.

One of the most common problems identified in the report is a form of lawmaking that takes place behind closed doors, called trilogues, in which a handful of representatives from European governments, the European Commission and the Parliament hash out compromises on legislation,, often in sensitive policy areas like regulating car emissions and using taxpayer money to bail out banks.

Those meetings are among a number of “blind spots” where public scrutiny is extremely limited and where negotiating positions taken by the Parliament were susceptible “*to external – and unseen – influence by interest groups and member state pressure,*” the report said. It recommended that all documents from those meetings, and from other meetings of European Union experts, be made publicly accessible.

The report also found problems with the main watchdog for the union’s institutions, the European Anti-Fraud Office.

That office played a leading role in an investigation during 2012 that led to the resignation later that year of John Dalli, a politician from Malta who was the commissioner in charge of health and consumer protection. It concluded that Mr. Dalli, who has repeatedly said he did nothing wrong, had probably been aware of a solicitation of a nearly \$80 million kickback from the tobacco industry.

But the anti-fraud office has faced fierce criticism from a number of groups, including lawmakers at the Parliament, for not acting transparently during its investigation of Mr. Dalli and, more generally, for being too cozy with administrators at the European Commission.

The report by Transparency International said the outcry over the conduct of the anti-fraud office and the commission during the events surrounding Mr. Dalli’s departure showed the need for the office to be given “*watertight operational independence*” to ensure proper checks and balances at the

European level.

Another set of recommendations by the group are aimed at preventing a rerun of a scandal that began in 2011, when members of the Parliament were caught on camera apparently prepared to propose amendments in return for cash payments of up to about \$138,000 in a sting operation conducted by The Sunday Times of London.

According to Transparency International, the Parliament, as well as other institutions, should introduce a procedure to create a so-called legislative footprint, recording and disclosing all input received from lobbyists for draft policies, laws and amendments. Another recommendation is to establish a European Public Prosecutor who could take action in cases where the union's financial interests are threatened, including by corrupt lawmakers.

Currently, any prosecutions must be carried out at the national level, where procedures and punishments can vary widely.

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