

Mrs Věra Jourová Vice-President of the European Commission Rue de la Loi 200 BE - 1049 Brussels

21 January 2021

Dear Vice-President,

Comments on the agreement reached on a new Mandatory Transparency Register

As you know, the European business community has supported the register from the outset. We have supported the political aims of the European transparency initiative and openly defend it inside and outside our community. From its start, we have promoted swift registration among our member federations and companies.

We fully agree with the European Commission that a regular and open dialogue between the EU institutions and relevant stakeholders is vital for high quality policymaking. It helps improving the quality and efficiency of legislation, and dialogue with business serves as a reality-check for lawmakers. We therefore want simple and effective rules to facilitate such dialogue in a spirit of mutual trust.

However, the recent agreement on an inter-institutional agreement (IIA) poses various practical problems. Since 2016, the European business community actively engaged in the consultation on a future mandatory register and tried to make our points heard with various institutional actors. But unfortunately, *none* of the solutions and ideas we have proposed to address concerns - whilst meeting the objective of ensuring transparency - have been taken on board in the agreement.

In particular, the requirement to disclose information on membership fees with a share of above 10% poses fundamental problems to our member associations, majority of which are also national social partners. It is the role and indeed philosophy of such associations, and notably of national industrial and employers' associations, to represent the views of the <u>entire</u> economy, and not just segments of it. Disclosing individual members' contribution will not contribute to that goal. Moreover, it could even pose potential severe legal problems in member states or be simply unachievable, due to the national association membership structure.

Finally, the formulation of that specific article in annex 1 ("registrants that do <u>not</u> represent commercial interests...") is not clearly worded. We <u>do</u> represent companies (i.e. commercial interest), and at the same time we are a "not for profit organisation" (representing companies). Hence, the text is ambiguous, and we would like to receive confirmation whether this requirement concerns business associations.



More generally, the key role of social partners is also reflected in the exemption laid down in Art. 4 para 1 lit c) of the agreement. Since this exemption specifically refers to art. 152 TFEU, which in turn highlights the respect for diversity of national systems and the autonomy of social partners, it is our understanding that this exemption should be interpreted in the widest possible way when it comes to national social partners.

We are of course aware that the text is now agreed and that we will have to work with it. But we would ask you to involve stakeholders, including business, in the drafting stage of the new implementing guidelines. They will be key for general acceptance by stakeholders and contribute to a smooth implementation of the rules agreed in this agreement.

We remain at your disposal for any comments and questions.

Yours sincerely,

Markus J. Beyrer