



**Friends of
the Earth
Europe**

Brussels, 31st August 2010

Attention: José Manuel Barroso, President of the European Commission
Maroš Šefčovič, Vice-President of the Commission, Commissioner for Inter-
Institutional Relations and Administration

Subject: Conflict of interest of former Commissioner Günter Verheugen and former
Member of Cabinet Petra Erler

Dear President Barroso and Commissioner Šefčovič,

In a letter dated 12th May 2010, we brought to your attention the announcement of the employment of former Enterprise and Industry Commissioner Günter Verheugen by the Royal Bank of Scotland (RBS). We expressed our concerns that such a move, if approved, would constitute a potential case of conflict of interest. We also stressed that, by failing to notify the Commission about his new position in the private sector early in advance, former Commissioner Verheugen had breached the guidelines of the current Code of Conduct for Commissioners. In July 2010, the Commission nonetheless approved the move of Mr Verheugen to RBS and to three other positions¹.

More recently, we were surprised to read² that, as early as April 2010, Mr Verheugen had already set up a lobby consultancy, The European Experience Company, again without requesting approval from the Commission and before notification about further professional plans. Moreover the European Experience Company was not mentioned in the positions listed by Mr Verheugen for review and approval by the Ad Hoc Ethical Committee in July 2010³, despite an explicit request from Mr. Szlaszewski to *'inform the Commission at your earliest convenience of various activities that you may consider within the year'*⁴. Again this constitutes a clear breach of the rules set up by the Code of Conduct for Commissioners.

We also believe that this new position of Mr. Verheugen constitutes a breach of the Code of Conduct. The European Experience Company promotes *'expertise and vast experience in the area of EU policy and foreign affairs; creative solutions and the best strategy for your success in dealing with European institutions'*⁵ and mentions providing *'Briefing sessions and written briefings for top leaders of public and private institutions and enterprises; Intensive management seminars for institutions and enterprises in cooperation with experts from European institutions; Analytical background and strategy recommendations in the area of EU-policy and other political matters; Support for your public relation endeavours in European affairs (speeches, media events, publications)'*⁶. These activities fall in the scope of the European Commission broad definition of lobbying as: all *'activities carried out with the*

¹ Opinion of the Ad Hoc Ethical Committee (28th June 2010), adopted by the European Commission on 6th July

² The European Experience Company, <http://www.european-experience.de/english/About-Us> and EU Observer, 'Ex-Commissioner promises European experience' in new lobby firm, 31st August 2010, <http://euobserver.com/9/30701>

³ Note from Hubert Szlaszewski, Secretariat General, to the Members of the Ad Hoc Ethical Committee, 7th May 2010

⁴ Letter from Hubert Szlaszewski, Secretariat General, to Mr. Verheugen, 22 April 2010

⁵ <http://www.european-experience.de/english>

⁶ <http://www.european-experience.de/english/Our-Offer>

objective of influencing the policy formulation and decision-making processes of the European institutions'. The European Experience Company clearly provides services that support lobbying and access to decision-makers.

In the light of these facts, we are of the opinion that the employment of Mr Verheugen with the European Experience Company breaches the Code of Conduct for Commissioners and therefore we ask you not to approve that move.

In addition, the Managing Director of the European Experience Company, Mrs Petra Erler, also happens to be a former Member and Head of DG Enterprise and Industry⁷ - a position that she left in February 2010 only⁸. A former Member of Cabinet moving without cooling-off period to a managerial position in a lobby consultancy raises serious concerns of conflict of interest. As a former high-level official, Mrs Erler falls under the Staff Regulations of the European Commission. We would like to ask you whether Mrs Erler accordingly asked the Commission for permission to take this new position early in advance and whether the Commission allowed her move. If so, we would like to know whether any limit was imposed, especially regarding potential lobbying of former colleagues of her in the European Commission.

We would also like to ask you to provide us with copies of all the documents, including correspondence, held between the Commission and Mr Verheugen and/or Mrs Erler concerning the setting up of the European Experience Company, including correspondence on this matter with the Ad Hoc Ethical Committee, AND agendas as well as minutes of meetings between Commission officials and Mr Verheugen and/or Mrs Erler in relation to the setting up of the European Experience Company. This request is based on Regulation 1049/2001, regarding public access to European Parliament, Council and Commission documents.

As the President of the European Commission and the Commissioner in charge of the rules on Conflicts of Interest, we ask you to consider this case carefully. European officials and Commissioners especially, have the duty of exemplarity when it comes to transparency and the promotion of public interest. Therefore we ask you to recognize that Mr Verheugen has repeatedly violated the rules of the Code of Conduct for Commissioners - by not notifying the Commission about his new positions, which we believe constitute potential conflicts of interest. We also ask you to clarify the assessment process of the move of Mrs Petra Erler from the Commission to the European Experience Company. This case is epitomic of the worrying shortcomings in the current rules and the urgent need to engage in a thorough review of the Code of Conduct for Commissioners. Failure to properly assess and deal with cases of conflicts of interest among high-level officials will seriously harm the profile of the European institutions.

We look forward to hearing from you on this urgent matter.

Yours sincerely,



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<http://euobserver.com/9/30701>

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<http://www.european-experience.de/english/About-Us>