

## Transparency International EU

Suggested amendments to the proposed Directive under the Defence of Democracy Package

Establishing harmonised requirements in the internal market on transparency of interest representation carried out on behalf of third countries

### Amendment 1

#### Art. 1.1

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>This Directive lays down harmonised requirements in relation to economic activities of interest representation carried out on behalf of a third country entity, with a view to improving the functioning of the internal market by achieving a common level of transparency across the Union.</p> <p>The purpose of this Directive is to achieve that transparency in such a manner as to avoid creating a climate of distrust apt to deter natural or legal persons from Member States or third countries from engaging with or providing financial support to entities carrying out interest representation on behalf of a third country entity.</p>	<p>This Directive lays down harmonised requirements in relation to economic activities of interest representation <del>carried out on behalf of a third country entity</del>, with a view to improving the functioning of the internal market by achieving a common level of transparency across the Union.</p> <p>The purpose of this Directive is to achieve that transparency in such a manner as to avoid creating a climate of distrust apt to deter natural or legal persons <del>from Member States or third countries</del> from engaging with or providing financial support to entities carrying out interest representation <del>on behalf of a third country entity</del>.</p>
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

### Amendment 2

#### Art. 2.2 (new)

<i>Original Text proposed by the Commission</i>	<i>New Proposal</i>
	<b>(2) ‘interest representative’ means any natural or legal person, or formal or informal group, association or network, that engages in the activities covered by the directive;</b>
Alignment with the Interinstitutional Agreement of 20 May 2021 between the European Parliament, the Council of the European Union and the European Commission on a mandatory transparency register (‘EU Transparency Register’).	

### Amendment 3

#### Art. 2.5

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
‘ancillary activity’ means an activity that supports the provision of an interest representation activity but has no direct influence on its content;	‘ancillary activity’ means an activity that supports the provision of an interest representation activity but has no direct influence on its content. <b>Such activities can include services such as catering, the provision of a venue, the printing of brochures or policy papers, or the provision of online intermediary services within the meaning of Regulation (EU) 2022/2065, such as online platforms services.</b>
Clarification by addition of the content of recital 20.	

### Amendment 4

#### Art. 2.6.a

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>

<p>the total annual remuneration received from a third country entity for the provision of an interest representation service, consisting, where the remuneration is non-pecuniary, of its estimated value; or</p>	<p>the total annual remuneration received <del>from a third country entity</del> for the provision of an interest representation service, consisting, where the remuneration is non-pecuniary, of its estimated value; or</p>
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

## Amendment 5

### Art. 2.6.b

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>where no remuneration is received, the estimate of the annual costs related to the interest representation activity carried out;</p>	<p>where no remuneration is received, the estimate of the annual costs related to the interest representation activities <b>carried out when they surpass the threshold of 25.0000 euros; the estimate of annual costs shall cover a full year of operations and refer to the most recent financial year closed, as of the date of registration or the date of the annual update of the registration details;</b></p>
<p>Alignment with the Interinstitutional Agreement of 20 May 2021 between the European Parliament, the Council of the European Union and the European Commission on a mandatory transparency register ('EU Transparency Register').</p>	

## Amendment 6

### Art. 2.7

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>'subcontractor' means an interest representation service provider with whom a main contractor, or one of its subcontractors, concludes a contract under which it is agreed that the subcontractor performs some or all parts of an interest representation activity that the main contractor has committed to carry out;</p>	<p>'subcontractor' means an interest representation service provider with whom a main contractor, or one of its subcontractors, concludes a contract under which it is agreed that the subcontractor performs some or all parts of an interest representation activity that the main contractor has committed to carry out. <b>For the purposes of this directive, providers of ancillary activities are not considered as subcontractors.</b></p>
<p>Clarification of a point of the directive, following the principle of proportionality.</p>	

## **Amendment 7**

### **Art. 2.8 (new)**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
	<p><b>'client' means any interest representative that has entered into a contractual relationship with an intermediary for the purpose of that intermediary advancing that interest representative's interests by carrying out activities covered by the Directive;</b></p>
<p>Alignment with the Interinstitutional Agreement of 20 May 2021 between the European Parliament, the Council of the European Union and the European Commission on a mandatory transparency register ('EU Transparency Register').</p>	

## **Amendment 8**

### **Art. 2.9 (new)**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
	<b>'intermediary' means any interest representative that advances the interests of a client by carrying out activities covered by the Directive;</b>
Alignment with the Interinstitutional Agreement of 20 May 2021 between the European Parliament, the Council of the European Union and the European Commission on a mandatory transparency register ('EU Transparency Register')	

## **Amendment 9**

### **Art. 2.9 (current article)**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
authority responsible for the national register' means the public authority or body responsible for maintaining a national register as referred to in Article 9 and processing registrations submitted pursuant to this Directive;	authority responsible for the national register' means the <b>independent</b> public authority or body responsible for maintaining a national register as referred to in Article 9 and processing registrations submitted pursuant to this Directive;
The current proposal only ensures the independence of the national authorities responsible for the supervision, but not the independence of the authorities responsible for the register. This is a loophole that has to be closed in order to protect registered entities from the risk of stigmatization by non-independent national authorities responsible for the register, in particular in Member States with longstanding rule of law issues.	

## **Amendment 10**

### **Art. 3.1.a**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>

an interest representation service provided to a third country entity;	an interest representation service provided to <b>any public or private entity</b> ;
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

### Amendment 11

#### Art. 3.1.b

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>an interest representation activity carried out by a third country entity referred to in Article 2(4), point (b), that is linked to or substitutes activities of an economic nature and is thus comparable to an interest representation service as referred to in point (a) of this paragraph.</p>	<p><b>Interest representation activities carried out by interest representatives, with the objective of influencing the formulation or implementation of policy or legislation, or the decision-making processes;</b></p>
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

### Amendment 12

#### Art. 3.2.d (new)

<i>Original Text proposed by the Commission</i>	<i>New Text</i>
	<p><b>Activities that relate to protection of democracy, rule of law and fundamental rights carried out within the framework of civil participation and of a structured dialogue with civil society, based on Art. 11 of the Treaty on Functioning of the European Union and on national and local provisions of civil society involvement.</b></p>
<p>Such dialogues are a key component of a democratic exchange between public authorities and civil societies. They should not fall under the scope of this directive.</p>	

### **Amendment 13**

#### **Art. 3.2.e (new)**

<i>Original Text proposed by the Commission</i>	<i>New Text</i>
	<p><b>Activities from entities that spent an aggregate annual amount for all activities falling within the scope of this Directive that is inferior to EUR 25 000 in the preceding financial year.</b></p>
<p>If this Directive applies to entities independently of their funding sources, it is necessary to include a threshold that exempts small entities that spent less than 25 000 EUR on interest representation per year from the scope of the Directive. If not, every five-people local citizen initiative and very small CSOs would have to register even though their impact on decision-making remains very low. Without including such an exemption, the obligations imposed by this Directive would be disproportionate.</p>	

### **Amendment 14**

#### **Art. 4**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>Member States shall not maintain or introduce, for interest representation activities falling within the scope of this Directive, provisions diverging from those laid down in this Directive, including more, or less, stringent provisions to ensure a different level of transparency of those activities.</p>	<p>Member States shall not maintain or introduce, for interest representation activities falling within the scope of this Directive, provisions diverging from those laid down in this Directive, including more, or less, stringent provisions to ensure a different level of transparency of those activities <b>and shall have due regard to the Charter of Fundamental Rights of the European Union, particularly the freedom of association and expression, and international human rights standards.</b></p>
<p>The directive follows a maximum harmonization approach. Member States will not be able to adopt more or less stringent provisions with regard to transparency requirements for interest representation. This is an important provision in order to avoid that Member States will enact provisions that would effectively limit key fundamental rights like the freedom of association and expression by imposing too burdensome obligations on registered entities. In the context of this maximum harmonization approach, we deem it important to underline the necessary respect of the Charter of Fundamental Rights.</p>	

## Amendment 15

### Art. 5

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>Member States shall ensure that interest representation service providers have the possibility to require the entity on whose behalf the service is provided to declare whether it is a third country entity.</p>	<p><del>Member States shall ensure that interest representation service providers have the possibility to require the entity on whose behalf the service is provided to declare whether it is a third country entity.</del></p>
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major</p>	



loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.

## Amendment 16

### Art. 7.1.a

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
the identity or name of the third country entity on whose behalf the activity is carried out, as well as the name of the third country whose interests are represented;	the identity or name of the <del>third country</del> entity on whose behalf the activities are carried out, <b>as well as the name of the entity whose interests are represented;</b>
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

## Amendment 17

### Art. 7.1.c

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
contracts and key exchanges with the third country entity essential to understand the nature and purpose of the interest representation activity, including, where	<del>contracts and key exchanges with the third country entity essential to understand the nature and purpose of the interest representation activity, including, where applicable, the records</del>

applicable, the records of the means and extent of any remuneration	<del>of the means and extent of any remuneration</del>
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

### Amendment 18

#### Art. 7.1.d (new)

<i>Original Text proposed by the Commission</i>	<i>New Text</i>
	<b>the annual amount contracted per client, when acting as an intermediary;</b>
Necessary addition to ensure a comprehensive record-keeping without loopholes.	

### Amendment 19

#### Art. 7.1.e (new)

<i>Original Text proposed by the Commission</i>	<i>New Text</i>
	<b>the annual amount spent, when promoting their own interests or the collective interests of their members;</b>
Necessary addition to ensure a comprehensive record-keeping without loopholes.	

### Amendment 20

### Art. 7.3.a

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
a list of all third country entities on whose behalf they have carried out interest representation activities in the preceding financial year;	a list of <b>all</b> entities on whose behalf they have carried out interest representation activities in the preceding financial year;
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

### Amendment 21

#### Art. 7.3.b

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
a list of the aggregated annual amount received in respect of the activities that fall within the scope of Article 3(1) in the preceding financial year per third country.	a list of the aggregated annual amount received in respect of the activities that fall within the scope of Article 3(1a) in the preceding financial year <b>per third country</b> .
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

### Amendment 22

## Article 8

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>Legal representative</p> <p>1. Member States shall require entities referred to in Article 3(1) that are not established in the Union to designate, in writing, a natural or legal person as their legal representative in one of the Member States where they carry out interest representation activities.</p> <p>2. Member States shall ensure that the legal representative is responsible for ensuring compliance by the registered entity with its obligations pursuant to this Directive and is the addressee of all communications by competent national authorities with the relevant entity pursuant to Article 15. Any communication to that legal representative shall be deemed to be a communication to the represented entity.</p> <p>3. Member States shall ensure that the legal representative may be held liable for non-compliance with obligations under this Directive by the entity it represents, without prejudice to the liability and legal actions that could be initiated against that entity. Member States shall ensure that entities referred to in Article 3(1) provide their legal representative with necessary powers and sufficient resources to guarantee efficient and timely cooperation with the Member States' competent authorities, and to ensure the compliance with their decisions.</p>	<p><b>Deleted</b></p>
<p>The reasons for deletion are the following: first, the legal representative is required to take on a significant reporting responsibility, likely without access to the requisite information to make an accurate determination as to whether an organisation falls within the scope of the Directive. If entities find a suitable representative willing to assume the associated risks, it can be assumed that potential legal representatives will ask for adequate remuneration as well as for some protection from potential liability from the</p>	

entities they represent. This will make the appointment of a representative financially burdensome and disproportionate. Therefore, this particular provision is problematic and unfair. Entities that cannot afford legal representation would suffer a disadvantage compared to entities that can. This can consequently steer away those entities from providing interest representation services in the EU. Particularly for small to medium CSOs, this is likely to both prevent access to EU decision-makers and thus curtail any meaningful participation of civil society from outside the EU and distort the market in relation to who can provide interest representation services. The risk and the administrative burden for EU-based civil society would be too high to take on the responsibility to act as legal representatives for multiple partner organisations from outside the EU. Second, the Directive fails to explain the reason for the liability of these legal representatives. The 15 Member States that regulate interest representation activities have not imposed legislation that holds the legal representatives responsible for the entities they represent. It is therefore unnecessary for the Directive, whose aim is supposedly to harmonise the internal market, to introduce a burdensome provision that could make it significantly complex for these entities under the Directive to participate. This provision does not contribute to the harmonisation and improvement of transparency of interest representation but instead creates an unequal level-playing field for non-EU-based entities. Finally, the Directive provides that non-EU entities can choose a legal representative in one of the Member States in which they carry out their interest representation activities. However, considering that there may be some differences across Member States after they transpose the Directive, this can lead non-EU entities to do “forum shopping” by choosing a legal representative established in Member States where the regime is most favourable to them. This seems to go against the objective of the Directive and to further fragment the internal market.

## Amendment 23

### Art. 9.1

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>Each Member State shall set up and maintain one or several national registers for the purpose of ensuring transparency of interest representation activities carried out by entities referred to in Article 3(1). Member States may make use of existing national registers where they meet the requirements set out in paragraphs 2, 3 and 4 of this Article and in Article 10, Article 11 and Article 12.</p>	<p>Each Member State shall set up and maintain one or several national registers for the purpose of ensuring transparency of <b>the</b> interest representation activities <b>covered by this Directive as defined in Article 3 and</b> carried out by entities referred to in Article 3(1). Member States may make use of existing national registers where they meet the requirements set out in paragraphs 2, 3 and 4 of this Article and in Article 10, Article 11 and Article 12. <b>In case of several</b></p>

	<b>national registers, Member States ensure clarity in the requirements on which national register a person is to register in, and ensure the interoperability within the national registers in the Member State.</b>
Ensuring the principle of proportionality in the reporting, and ensuring clarity and interoperability in case of several national registers.	

## Amendment 24

### Art. 9.2

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
The national register or, as relevant, registers shall be maintained by authorities responsible for the national registers. For the processing of personal data, such authorities shall act as controllers within the meaning of Article 4, point (7) of Regulation (EU) 2016/679.	The national register or, as relevant, registers shall be maintained by <b>independent</b> authorities responsible for the national registers. For the processing of personal data, such authorities shall act as controllers within the meaning of Article 4, point (7) of Regulation (EU) 2016/679.
The current proposal only ensures the independence of the national authorities responsible for the supervision, but not the independence of the authorities responsible for the register. This is a loophole that has to be closed in order to protect registered entities from the risk of stigmatization by non-independent national authorities responsible for the register, in particular in Member States with longstanding rule of law issues.	

## Amendment 25

### Art. 9.3

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
Member States shall ensure that the national registers referred to in paragraph 1 are set up and maintained in such a way as to ensure a neutral, factual and objective	Member States shall ensure that the national registers referred to in paragraph 1 are set up and maintained in such a way as to ensure a neutral, factual and objective

<p>presentation of the information contained therein.</p>	<p>presentation of the information contained therein. <b>Cases of non-compliance to this provision can be raised by the concerned persons to the Advisory Group established by Article 19 of this Directive.</b></p>
<p>Ensuring an independent redress mechanism against possible abuses by the governments.</p>	

## Amendment 26

### Art. 9.4

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>Member States shall ensure that the authorities responsible for the national registers maintain logs of personal data processing operations within the national register. Those logs shall be deleted after a period of 1 year and may be used only for monitoring the lawfulness of access to personal data and for ensuring integrity and security of such data.</p>	<p>Member States shall ensure that the <b>independent</b> authorities responsible for the national registers maintain logs of personal data processing operations within the national register. Those logs shall be deleted after a period of 1 year and may be used only for monitoring the lawfulness of access to personal data and for ensuring integrity and security of such data.</p>
<p>The current proposal only ensures the independence of the national authorities responsible for the supervision, but not the independence of the authorities responsible for the register. This is a loophole that has to be closed in order to protect registered entities from the risk of stigmatization by non-independent national authorities responsible for the register, in particular in Member States with longstanding rule of law issues.</p>	

## Amendment 27

### Art. 10.9

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>

<p>Where necessary to ensure that the information provided for the purposes of registration continues to allow the authorities responsible for the national registers to correctly and precisely identify the third countries on whose behalf interest representation is being carried out and how much is being spent on those activities, the Commission is empowered to adopt delegated acts in accordance with Article 23 to amend Annex I by modifying the list of information to be provided for the purpose of registration in the light of developments in the market for interest representation services, opinions, recommendations and reports issued by the advisory group established pursuant to Article 19, or, where available, relevant international and European standards and practices. Personal data fields set out in Annex I shall be modified only where necessary to ensure a proper identification of the entities and the interest representation activities referred to in Article 3(1).</p>	<p>Where necessary to ensure that the information provided for the purposes of registration continues to allow the authorities responsible for the national registers to correctly and precisely identify the <b>entity</b> on whose behalf interest representation is being carried out and how much is being spent on those activities, the Commission is empowered to adopt delegated acts in accordance with Article 23 to amend Annex I by modifying the list of information to be provided for the purpose of registration in the light of developments in the market for interest representation services, opinions, recommendations and reports issued by the advisory group established pursuant to Article 19, or, where available, relevant international and European standards and practices. Personal data fields set out in Annex I shall be modified only where necessary to ensure a proper identification of the entities and the interest representation activities referred to in Article 3(1).</p>
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

## Amendment 28

### Art. 12.1

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
(a) information provided by the registered entity in accordance with Annex I, point 1, points (a), (e), (f)(i), (f)(ii), (h), (i),	(a) information provided by the registered entity in accordance with Annex I, point 1, points (a), (e), (f) <del>(i)</del> , (f)(ii) <b>(only</b>



(j) and (k) and point 2, points (a)(i), and points (b) to (h);	<b>for legal persons), (h), (i), (j) and (k) and point 2, points (a)(i), and points (b) to (h);</b>
The possibility for natural persons to have their home address publicly available can have a chilling effect on civil society organisations, especially to those that would agree to be the legal representatives of a non-EU civil society organisation. It is also not GDPR compliant	

## Amendment 29

### Art. 15.6

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
Member States shall ensure that the supervisory authority is independent in the exercise of its functions. In particular, Member States shall ensure that the staff in supervisory authorities acting in the exercise of their powers pursuant to this Directive:	Member States shall ensure that the <b>authority responsible for the national register and the supervisory authority are</b> independent in the exercise of <b>their</b> functions. In particular, Member States shall ensure that the staff <b>and any appointed members in these</b> authorities acting in the exercise of their powers pursuant to this Directive:
The current proposal only ensures the independence of the national authorities responsible for the supervision, but not the independence of the authorities responsible for the register. This is a loophole that has to be closed in order to protect registered entities from the risk of stigmatization by non-independent national authorities responsible for the register, in particular in Member States with longstanding rule of law issues. Additionally, all appointed members of these authorities have to be included in the independence of the authorities.	

## Amendment 30

### Art. 15.6.c (new)

<i>Original Text proposed by the Commission</i>	<i>New Text</i>
	<b>exercise their functions impartially, in accordance with the law, whilst ensuring</b>

	<b>transparency and accountability, and respecting personal data.</b>
<p>The current proposal only ensures the independence of the national authorities responsible for the supervision, but not the independence of the authorities responsible for the register. This is a loophole that has to be closed in order to protect registered entities from the risk of stigmatization by non-independent national authorities responsible for the register, in particular in Member States with longstanding rule of law issues. Additionally, all appointed members of these authorities have to be included in the independence of the authorities.</p>	

### Amendment 31

#### Art. 15.8

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>Member States shall ensure that, in carrying out the tasks assigned to them under this Directive, the national authorities designated pursuant to paragraph 1 ensure that no adverse consequences, such as stigmatisation, arise from the mere fact that an entity is a registered entity or has been subject to a request pursuant to Article 16(3).</p>	<p>Member States shall ensure that, in carrying out the tasks assigned to them under this Directive, the national authorities designated pursuant to paragraph 1 ensure that no adverse consequences, such as stigmatisation, arise from the mere fact that an entity is a registered entity or has been subject to a request pursuant to Article 16(3). <b>Member States shall ensure that independent and transparent redressing mechanisms are in place when complaints against cases of stigmatisation are raised. The Advisory Group established by Article 19 of this Directive can give opinions on the effectiveness of these mechanisms.</b></p>
<p>A redressing mechanism for the cases of stigmatisation is needed.</p>	

### Amendment 32

#### Art. 16.3.a

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
the registered entity received an annual amount that exceeds EUR 1 000 000 for a single third country entity in the preceding financial year;	the registered entity received an annual amount that exceeds EUR 1 000 000 for a single <del>third country</del> entity in the preceding financial year;
<p>The current proposal covers only third-country entities and organizations providing interest representation services to third-country entities. Such limitation is a major loophole in the proposal that is likely to be abused. Only a broad register covering all entities independently of their legal status (for-profit; not-for-profit; consultancies; etc.), their place of establishment (inside or outside of the EU), their sources of funding (foreign-funded or EU-funded), and the types of funding received (including profits from commercial activities) will be effective in tackling undue influence and aid in the prevention of malign influence from circumventing the rules.</p>	

### **Amendment 33**

#### **Art. 16.3.b**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>the actions of the third country entity on whose behalf the registered entity is acting are attributable to a third country that has spent, in one of the five preceding financial years, and taking into account all third country entities whose actions can be attributed to this third country, an aggregate annual amount that exceeds either of the following:</p> <p>(i) EUR 8 500 000 on interest representation activities in the Union;</p> <p>(ii) EUR 1 500 000 on interest representation activities in a single Member State;</p> <p>unless the registered entity falls within the scope of Article 3(1), point (a), and received an aggregate annual amount for all activities falling within the scope of this Directive that</p>	<p>the actions of the <del>third country</del> entity on whose behalf the registered entity is acting <del>are attributable to a third country that</del> has spent, in one of the five preceding financial years, and taking into account all <del>third country</del> entities whose actions can be attributed to this <b>entity</b>, an aggregate annual amount that exceeds either of the following:</p> <p>(i) EUR 8 500 000 on interest representation activities in the Union;</p> <p>(ii) EUR 1 500 000 on interest representation activities in a single Member State;</p> <p>unless the registered entity falls within the scope of Article 3(1), <del>point (a)</del>, and <b>spent</b> an aggregate annual amount for all activities falling within the scope of this Directive that</p>

is inferior to EUR 25 000 in the preceding financial year.	is inferior to EUR 25 000 in the preceding financial year.
Adapting the Directive to a general context. Furthermore, all types of interest representation activities have to be included (not only the ones mentioned in point (a), but also in-house lobbying e.g.) and this change also makes it necessary to replace received by spent.	

#### Amendment 34

##### Art. 16.6.3 (new)

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
	<b>In the event of a disagreement between the requesting supervisory authority and the requested authority regarding actions taken pursuant to paragraph 5, either authority may refer the matter to the advisory group for mediation in view of finding an amicable solution.</b>
There has to be a mediation process at European level in order to avoid disagreements between authorities are not properly solved.	

#### Amendment 35

##### Art. 17.1

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
Member States shall ensure that their supervisory authorities cooperate with the supervisory authorities of all other Member States as necessary.	Member States shall ensure that their supervisory authorities cooperate with the supervisory authorities of all other Member States <b>as necessary</b>
Cooperation shall be ensured at all times.	

#### Amendment 36

**Art. 19.2.b**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
facilitate exchanges and sharing of information and best practices on the specific needs of micro, small and medium-sized enterprises within the meaning of Article 3 of Directive 2013/34/EU	facilitate exchanges and sharing of information and best practices on the specific needs of <b>the entities covered by this Directive, including civil society organisations and</b> micro, small and medium-sized enterprises within the meaning of Article 3 of Directive 2013/34/EU
Enlarging the scope of this point on the different affected organisations.	

**Amendment 37**
**Art. 19.2.c**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
advise on recommended formats for the publication of aggregated data pursuant to Article 13	advise on <b>recommended formats for</b> the publication of aggregated data pursuant to Article 13
Since the Commission's publication will be based on the national reports, this amendment would give the Advisory group the possibility to draw attention to potential problems of accuracy in the national reports.	

**Amendment 38**
**Art. 19.3 (new)**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
	<b>The advisory group shall, upon request of the Commission or at least one of the concerned</b>

	<p><b>authorities, draw up opinions with respect to:</b></p> <ul style="list-style-type: none"> <li><b>a. national measures which are likely to affect the functioning of the internal market for interest representation, in particular those taken by national authorities with respect to Article 9(3), Article 10(4), Article 11(1), (2), (3), (4), (5), (8) and (9), Article 12(3), Article 15(1), (2), (6) and (8), and Article 16(3);</b></li> <li><b>b. requests for cross-border cooperation between national authorities, in accordance with Article 16(5) and Article 17(2) of this Directive.</b></li> </ul>
<p>The current proposal gives a strong position to the national authorities. In order to mitigate the risk that national authorities might abuse that position (e.g. by not cooperating with other authorities or by adopting provisions that would go against the idea of the directive or that might be stigmatizing for registered entities), the position of the European advisory group should be strengthened. Hence, it should be possible for the group to draw up opinions on all key national measures that might affect the functioning of the internal market, e.g. the designation of authorities themselves, information requests, decisions on public access or on the registration obligations. This gives other authorities the possibility to raise potential difficulties in the application of the directive with their colleagues.</p>	

**Amendment 39**

**Art. 19.4 (new)**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
	<p><b>The advisory group shall, upon request of at least one of the concerned authorities, mediate in the case of disagreements between national authorities, in accordance with Article 16(6) of this Directive.</b></p>

There has to be a mediation process at European level in order to avoid disagreements between authorities are not properly solved.

**Amendment 40**

**Art. 19.4 (current article)**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
Representatives of the European Parliament, or of the European Free Trade Association States that are contracting parties to the Agreement on the European Economic Area, may be invited to attend meetings of the advisory group as observers	Representatives of the European Parliament, <b>the European Union Agency for Fundamental Rights</b> or of the European Free Trade Association States that are contracting parties to the Agreement on the European Economic Area, may be invited to attend meetings of the advisory group as observers. <b>The advisory group should annually invite civil society as part of an open and structured dialogue on the implementation of the Directive.</b>
Provision to ensure the respect of fundamental rights in the implementation of the directive.	

**Amendment 41**

**Art. 20**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
Member States shall ensure that it is prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent the obligations set out in this Directive.	<del>Member States shall ensure that it is prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent the obligations set out in this Directive.</del>
Prohibition of circumvention to be incorporated into article 22 in order to limit the discretionary power of national authorities that they would get with the current article 20.	

## Amendment 42

### Art. 22.1

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
Member States shall lay down rules on sanctions, limited to administrative fines, for infringements of national provisions adopted to transpose Article 6, Article 7, Article 8, Article 10, Article 11, Article 14, Article 16 and Article 20 by entities referred to in Article 3(1) or where appropriate, their legal representative. Those rules shall comply with paragraphs 2 to 6.	Member States shall lay down rules on sanctions, limited to <b>temporary suspension of registration to a maximum of 2 years, for the circumvention, knowingly and intentionally, of the obligations set out in this Directive and</b> for infringements of national provisions adopted to transpose Article 6, Article 7, Article 8, Article 10, Article 11, Article 14 <b>and Article 16 and Article 20</b> by entities referred to in Article 3(1) or where appropriate, their legal representative. Those rules shall comply with paragraphs 2 to 6
Prohibition of circumvention included.	

## Amendment 43

### Art. 22.2

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
The maximum amount of the financial sanction referred to paragraph 1 that may be imposed shall be, for undertakings, 1 % of the annual worldwide turnover in the preceding financial year, for other legal entities, 1 % of the annual budget of the entity in accordance with the most recent financial year closed and for natural persons, EUR 1 000.	<b>Delete the paragraph</b>
The change of the administrative sanction from a financial sanction to temporary de-registration allows to put for profit and non-profit organisations on the same level: for	



for profit organisations, a financial fine which still allows them to access the policy makers can easily be put in a ‘cost-benefit’ analysis, which ultimately could lead them to decide to take the risk of being fined if the benefit from it is higher than the fine. Such ‘cost-benefit’ analysis does not exist for non-profit organisations. Changing the sanction from a fine to temporary deregistration, furthermore, aligns the sanction to the objective of the wrongdoing (i.e. unduly influencing policy makers), without putting at risk the existence of the organisations due to the financial burden of the fine.

#### Amendment 44

##### Art. 22.4

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>Before imposing sanctions, the supervisory authority shall issue a warning or a reprimand to the entity concerned to the effect that it is likely to infringe or has infringed provisions of this Directive, except if such infringement amounts to a violation of Article 20.</p>	<p>Before imposing sanctions, the supervisory authority shall issue a warning or a reprimand to the entity concerned <b>to the effect that it is likely to infringe or has infringed provisions of this Directive, ensuring clarity, and adherence to due process, including the principle of legal certainty, proportionality, and respect for fundamental rights. This ensures that entities subject to potential sanctions are adequately and timely informed of conduct amounting to any contravention, thereby avoiding arbitrary application, and allowing entities to be heard, present evidence and rectify errors before facing sanctions. All determinations made by competent authorities must be openly justifiable and transparent. This entails the publication of reasoned decisions, sanctions details, and where applicable, the historical records of relevant cases.</b></p>
<p>Increasing safeguards for registered entities.</p>	

#### Amendment 45

##### Annex - Title

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing harmonised requirements in the internal market on transparency of interest representation carried out on behalf of third countries and amending Directive (EU) 2019/1937	Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing harmonised requirements in the internal market on transparency of interest representation <b>activities</b> and amending Directive (EU) 2019/1937
Adapting the Directive to a general interest representation Directive.	

## **Amendment 46**

### **Annex I - Point 1**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
(f) if it is established outside the Union, the following information regarding its designated legal representative: (i) name; (ii) address; (iii) phone number; (iv) e-mail address; (v) as relevant, the registration number of the legal representative in a business register or a comparable identifying code;	<b>Deleted</b>
Adapting the Annex to the amended text of the Directive	

## **Amendment 47**

### **Annex I -Point 1**

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
(i) if the entity is registered in another national transparency register, its registration numbers;	<b>Deleted</b>
Under the single registration principle, if the Directive is adapted to a general transparency one, then there should not be multiple registration to be reported.	

## Amendment 48

### Annex I - Point 2

<i>Original Text proposed by the Commission</i>	<i>Amended Text</i>
<p>Regarding the interest representation activity carried out:</p> <p>(a) the following information on each of the third country entities on whose behalf the entity carries out the interest representation activity;</p> <p>(i) name;</p> <p>(ii) the address at which the third country entity carries on business or, for natural persons, the address at which they ordinarily reside;</p> <p>(iii) a description of the entity's main goals, remit and field of interest;</p> <p>(iv) where available, the registration number of the third country entity in a business register or a comparable identifying code;</p> <p>(b) the third country on whose behalf the third country entity is acting;</p> <p>(c) the annual amounts covering all the tasks carried out with the objective of influencing the development, formulation</p>	<p>Regarding the interest representation activity carried out:</p> <p>(a) the following information on each of the third <b>parties</b> <del>country entities</del> on whose behalf the entity carries out the interest representation activity;</p> <p>(i) name;</p> <p>(ii) the address at which the third <b>party</b> <del>country entity</del> carries on business or, for natural persons, the address at which they ordinarily reside;</p> <p>(iii) a description of the <b>third party's</b> <del>entity's</del> main goals, remit and field of interest;</p> <p>(iv) where available, the registration number of the third <b>party</b> <del>country entity</del> in a business register or a comparable identifying code;</p> <p>(b) <b>when applicable</b>, the <del>third</del> country on whose behalf the third <b>party</b> <del>country</del> <b>entity</b> is acting;</p>

or implementation of the same proposal, policy or initiative indicated pursuant to point (g), according to the grid below, for a full year of operations referring to the most recent financial year closed, as of the date of registration or the date of the annual update of the registration details;

**(c) the total annual remuneration received from the third party for the provision of interest representation services, or, in case where the remuneration is in kind, the value of such remuneration and its nature, or in case of country entities directly carrying out interest representation activities, or, when no remuneration is received,** the annual amounts covering all the tasks carried out with the objective of influencing the development, formulation or implementation of the same proposal, policy or initiative indicated pursuant to point (g). **The reporting shall be done** according to the grid below, for a full year of operations referring to the most recent financial year closed, as of the date of registration or the date of the annual update of the registration details;

Adapting the Annex to the amended text of the Directive