

euobserver

Revealed: The EU lobbying of the so-called 'Consumer Choice Center'

Clare Carlile

July 13, 2023

The so-called Consumer Choice Center, a libertarian pressure group, has advocated against green regulations in the EU without being registered as a lobby group, DeSmog can reveal.

The US-based organisation — which has links to a network of fossil-fuel-funded think tanks and advocacy groups — has opposed climate-friendly measures in Europe such as the phase-out of petrol cars and green farming reforms despite being removed from the lobby register over a year ago.

It appears that Consumer Choice Center's activity puts it in breach of EU transparency rules, which require lobbyists to declare their activities on the EU Transparency Register.

"Anyone who seeks to influence policymaking, or decision making of EU institutions should be on the register," said Green MEP Daniel Freund. "It makes no difference whether that's a meeting, an email, an op-ed, or a giant billboard in front of the European Parliament."

MEPs need to know "who they're dealing with," Freund added.

However, the rules are not legally-binding, and organisations in breach face minimal sanctions. According to transparency campaigners, this allows groups like Consumer Choice Center to "try and influence the Brussels bubble without respecting transparency".

Consumer Choice Center, based in Washington DC, styles itself as a consumer advocacy group that "represents consumers in over 100 countries across the globe". However, on its website, which lists 62 staff members, the group says that it has previously been funded by the energy, chemical, and airlines industries and does not publish its current sources of finance.

The group spent €250,000 on EU lobbying in 2020 and employed 16 lobbyists.

Vicky Cann from LobbyFacts said it was "absolutely fundamental" for organisations to publish their funding sources. "We need to understand why an organisation is advocating certain positions," she said.

DeSmog understands that the group was removed from the EU's lobby register in May 2022 following a quality check by the secretariat aimed at detecting potential inaccuracies, errors or omissions in the register. The group's removal from the register also followed the introduction of

new lobbying rules requiring more transparency over funding sources, which were brought in last March.

Freund said that it was important for policymakers to interact with lobbyists in "any healthy democracy", but that "wherever there could be an influence of money on politics, the bare minimum is to make it transparent and give voters the possibility to hold decision makers accountable."

Connections to US Big Oil

Consumer Choice Center was established in 2017 by the libertarian advocacy group Students for Liberty, which is funded by the Koch oil network.

Students for Liberty has received almost \$1m [€910,000] in funding since 2009 from the philanthropic organisations of Charles Koch, who co-owns Koch Industries — one of the largest privately-held companies in the US — which trades heavily in oil and gas. Organisations connected to Koch Industries have directed at least \$100m to climate science denial groups since 1997.

Between 2017 and 2019 — while Consumer Choice Center was part of the group — Students for Liberty also received donations of over \$100,000 from the Atlas Network, an alliance of libertarian think tanks that has received funding from Koch foundations and fossil fuel firms. Members of the Atlas Network have campaigned against legislation to limit greenhouse gas emissions and have questioned the presence and severity of human-caused climate change.

Students for Liberty also received a one-off donation of \$10,000 from the Cato Institute, a US-based libertarian think tank that has received millions in funding from Koch sources and has downplayed the severity of global warming. Consumer Choice Center was part of US-based Students for Liberty until 2020.

Fellows and employees of the Consumer Choice Center also have professional links to programmes run by Koch-funded groups, the Cato Institute and the Atlas Network, while over half of those listed on the organisation's website have been involved in Students for Liberty.

Consumer Choice Center fellow Maria Chaplia completed a Charles Koch market-based management programme, while the group's US affairs analyst Elizabeth Hicks completed a Koch associate programme at the Charles Koch Institute.

Research manager Emil Panzaru and Latam policy fellow Antonella Marty both completed internships at the Cato Institute, while Marty is also associate director of the Center for Latin America at the Atlas Network.

The Center has paid for adverts on Facebook in recent months lobbying against EU plans to ban petrol and diesel cars, and against the strengthening of chemical regulations.

It has written almost 50 articles on EU policy issues since it was removed from the lobby register, as well as hosting a "cross-party and cross-committee" group in the European Parliament attended by more than 30 MEPs.

The Consumer Choice Center has suggested that Europe should "shelve all their climate ambitions [and] refine more oil" in light of the war in Ukraine and warned that EU plans to become carbon neutral by 2050 would have disastrous economic consequences.

Under new lobbying rules introduced last March, non-commercial entities like Consumer Choice Center have to declare their sources of funding on the EU Transparency Register if they amount to over 10 percent of an organisation's budget and exceed €10,000.

Consumer Choice Center did not update its funding sources before its removal from the register in May 2022. DeSmog did not receive a response to questions about whether Consumer Choice Center's removal from the register related to the introduction of the new rules.

The group does not publish information about its current funders. However, its website states that it has previously "received funding from multiple industries such as energy, fast-moving consumer goods, airlines, manufacturing, digital, healthcare, chemicals, banking, cryptocurrencies, and fin-tech". It says that its "support comes from corporations, individuals, and foundations" and that it has a "tiered membership model" on offer.

Lisa Graves of True North — which has spent decades researching the Koch network — said she was not surprised that Consumer Choice Center has attempted to brand itself as a consumer rights organisation despite its ties to industry.

"Groups take on names to try to convey that they stand with consumers, but they promote a narrow agenda that is at odds with what most people want: policies that protect the rights and interests of ordinary people to safe products and safe practices that don't harm our environment or our lives," she said.

The tactic of 'astroturfing' — of groups adopting a consumer-rights image while being funded by commercial entities — is commonplace among those with ties to the Koch network.

Consumer Choice Center says on its website that, "We strictly maintain editorial independence and do not give our funders any influence on editorial decisions."

Anti-Green Lobbying

Consumer Choice Center has been a vocal opponent of green legislation in the EU.

Prior to its removal from the EU Transparency Register, the group published policy briefings that opposed plans to ban the sale of new petrol and diesel cars by 2035. It also criticised targets to reduce chemical pesticides and fertiliser use and increase organic farming.

Its campaigns have also seemingly sought to turn public opinion against net zero pollution reduction targets.

In late 2020, Consumer Choice Center paid for a Facebook advert to over one million people, which claimed that EU plans to reach carbon neutrality by 2050 would raise energy costs by 20 percent, lead to a GDP decline, and result in 500,000 job losses. The warnings were repeated in an article from the group in 2023.

Cann, of the transparency watchdog LobbyFacts, accused the group of an "anti-science position". She questioned its claim to be a consumer advocacy group given its adoption of an "industry-friendly framing".

The policies advocated by Consumer Choice Center "are not solutions that citizens will benefit from or really want", she said.

Since the group was removed from the EU lobby register in May 2022, it has continued to publicly lobby against green regulations.

In April 2023, the group sponsored an advert on Facebook about the EU's plans to ban the sale of new petrol and diesel-vehicles, stating that "Europe is favouring one type of technology over the other by banning gas-powered vehicles, when in essence the choice should be up to consumers."

The same month, it sponsored Facebook adverts opposing EU plans to strengthen chemical regulations, warning, "Don't let your favourite beauty products go away".

Since May 2022, Consumer Choice Center staff members have also written almost 50 articles (equivalent to nearly one piece per week) for media outlets on EU issues, covering subjects from pesticides reduction targets to regulations of genetically-engineered seeds.

The majority of these articles were published in EU outlets, including influential Brussels media such as the Brussels Times, and the Parliament Magazine.

Their articles include multiple warnings that the "entire agricultural sector" is in danger from green farming reforms — policies that are facing pushback across the EU after a fierce industry-led lobbying campaign. Consumer Choice Center claims to have been featured in the media on more than 5,000 occasions during its history.

MEP Freund said that media outlets should ensure "organisations that don't play by the rules don't get a platform," while Graves of True North said that Consumer Choice Center's lack of transparency was a major concern. "Ordinary people and reporters can only get glimpses of how they're spending money to influence and distort public interest," she said.

'Existing Rules Are Not Enforced'

Campaigners agreed that the activities of Consumer Choice Center appear to violate EU transparency rules.

Under the EU's guidelines, any "interest representatives" that attempt to influence policy, legislation or the decision making process should declare their activities, lobby spending, and registered lobbyists.

In April 2021, the European Parliament strengthened its transparency guidance to include "indirect lobbying activities".

However, campaigners say that the apparent breach shows the need to further reform EU transparency rules.

Transparency guidelines in the EU are not legally-binding. While clear guidance is provided for lobby groups, compliance is essentially voluntary, and organisations face limited sanctions for failing to comply.

In theory, MEPs should only meet with lobby groups that have been properly registered, but advocacy groups say this rule is regularly breached.

"Consumer Choice Center is proof that without a legally-binding lobby register, you will always have organisations that try and influence the Brussels bubble without respecting transparency norms," said Cann from Lobbyfacts.

"Existing rules are not enforced," Freund added. EU rules are relatively strong compared to international norms, he said, "but if they're not applied, if they're not enforced, the best rules in the world don't help us. At the moment, the institutions self-police: MEPs check on MEPs; commissioners check on commissioners... We need an independent oversight body."

Consumer Choice Center also appears to be breaking EU rules which state that organisations cannot use the logos of EU institutions "without their express permission". Consumer Choice Center displays the European Parliament's logo on its website, on a page about its MEP network on innovation. It did not answer questions about whether it had been given authorisation to do so.

The European Commission declined to comment.