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**Conference paper  
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***Professional lobbying in Austria:  
The Current State of Public Affairs in Austria - an evolving profession  
embedded in a mandatory registration scheme***

**by  
Peter Köppl, President, Austrian Public Affairs Association  
and  
Markus Eder, Vice-President, Austrian Public Affairs Association  
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## **I: What is professional lobbying?**

The image of professional lobbying is the sum of the behavior of an industry and the public perception of the same. The professional lobbying industry in Austria has been growing continuously for a good 20 years and is creating corresponding new positions in companies, associations, and agencies. Industry estimates assume that around 3,000 – 5,000 people are pursuing this professional activity in Austria today.

Under the aegis of the Austrian Public Affairs Association (OePAV), the voluntary representation of the interests of the industry in Austria, the industry was able to develop towards a very high level of professionalization in terms of compliance, best practice and best behavior today. The association's code of conduct, which has been the industry standard for more than 10 years, plays a central role here. This form of self-regulation, which non-members of the association also like to use as rules of conduct, not only defines behavioral norms, but also reflects the self-esteem of the industry. It should be noted here that self-esteem and self-confidence are very strong in Austria today.

## **II: Code of conduct: basis of professionalism**

Representation of interests and exchange of information are key elements of a healthy and prosperous democracy. They need to be supported in the interest of all participants of the political arena. Interest groups and public affairs experts of companies, associations, NGOs, trade associations and agencies are valuable mediators between the economy, politics, the administration, and civil society. A high sense of personal integrity, social sensitivity and transparency is necessary to conduct public affairs.

In a continuous process of professionalization, the Austrian Public Affairs Association (OePAV) developed a code of conduct binding its members. The OePAV code is based on international role-models. In enacting a code of conduct, the OePAV shows its commitment to transparency and quality standards to politics, civil society, clients, and the public.

OePAV members regard their work as conveying information and representing interests. They are convinced that they make significant and legitimate contributions to basic democratic processes like defining opinion and making decision. In their work, OePAV members support and comply with all applicable laws particularly the freedom of speech, the right to information, the independency of the media and the protection of personal rights.

Integrity, transparency, and compliance with the basic democratic order are requirements for the work of OePAV members and are integral parts of their self-conception.

### *Principles of OEPAVs code of conduct*

#### *Article 1: Honesty and transparency*

OePAV members must be honest and accurate in their interrelations with clients, political institutions, the legislative and executive bodies, the media, and the public. They must not mislead by using inaccurate or incomplete information. Members of the OePAV must pay attention to transparency. They must disclose their clients' identity when acting on their behalf.



*Article 2: Confidentiality and conflict of interest*

OePAV members are committed to discretion in their work. Meetings with politicians or members of the administration must be confidential unless otherwise agreed. Consultants must protect confidential information and protect privacy rights of their current and former clients. Confidential information concerning current and former clients must not be passed on without the clients' explicit approval. OePAV members must not accept an assignment that may cause conflicts of interest.

*Article 3: Dishonest methods*

In representing their clients' interests, OePAV members must refrain from any dishonest or illegal behavior. They must not give direct or indirect financial incentives. If a client requested an illegal action from the consultant, the consultant would have to decline the request and inform the client about the reasons for his decline.

*Article 4: No discrimination*

OePAV members must not discriminate against gender, religious beliefs, ethnical backgrounds, age, disabilities, or sexual orientation. OePAV members must not participate in discriminatory actions.

*Article 5: Respect*

OePAV members must treat their clients, colleagues, and contacts respectfully. They must consider their personal and professional reputation and strengthen it whenever possible.

*Article 6: Incompatibility*

The work of public affairs professionals is not compatible with a function in administrative or executive bodies including bodies of the European Union.

*Article 7: Protecting and advancing the profession; competition*

OePAV members must avoid any behavior that could damage the reputation of the public affairs business, the OePAV or its members.

*Article 8: Compensation*

OePAV members must sign written contracts with their clients determining the terms and conditions for their services, including a reasonable payment. Commission payments must not be offered nor accepted.

### **III: Professional Lobbying in the eyes of politics and the public**

In Austrian politics, lobbying is basically seen as neutral with a tendency towards positive. It must be said here that the term lobbying per se does not enjoy a positive image in Austria, but that the professional and serious work of the actors in politics is viewed consistently positively.

When the Austrian Lobbying Act came into force in 2013, the accompanying material to the law in parliament stated: *"In democratic decision-making (...) transparent and regulated lobbying is viewed quite positively (...) Lobbying can support political processes by providing valuable information and insights improve. (...) These activities also serve to strengthen civil society."* Parliament also made the following statement: *"What the lobbying law cannot do is fight corruption; this is where criminal law comes into play."*



And it is precisely at this point that the problem lies in the public perception of lobbying in general. Fueled by media reports, alleged criminal offenses such as bribery are repeatedly equated with lobbying. In the public perception, lobbying is therefore de facto the same as corruption. So if the picture of professional lobbying represents the sum of the behavior of an industry and the public perception of the same, then unfortunately all the efforts of the industry and the legislator to develop professional and serious lobbying are not enough to recognize lobbying as something positive overall leave.

Nevertheless, lobbying in Austria today is a professional branch and is also accepted as such in politics.

#### **IV: The Austrian Lobbying- and Interest Representation – Transparency Act and registry**

Having gone through decades of a tightly closed interest-mediation system that gave exclusivity to only a few institutions, Austria faced a rush towards a pluralistic free-market interest-mediation system from the year 2000 onwards. This short but intense period was stopped short not only by a return to the traditional Austrian interest-mediation system but also by a series of scandals, involving corruption and in-transparent financing of political parties. These scandals were labeled ‘lobbying scandals’ leading to a quick halt of the developments public affairs had made in the years before. The political answer to this crisis was the introduction of a lobbying and interest representation registration law, enacted in January 2013.

This law established a federal mandatory registration for “all structured and organized contacts, aimed at influencing political decision making (including administration) in Austria”. The law specifies, that “contacts” in this context simply means “political decision makers”, including their employees and civil servants on federal as well as regional level.

Registration by consulting agencies, companies, non-governmental organizations, associations, and chambers must be made before lobbying activities are allowed to begin. Furthermore, companies and consulting agencies have to comply with a code of conduct, which has to be communicated via their respective websites. The online-register (<http://www.lobbyreg.justiz.gv.at/>) was implemented on January 1, 2013 and is administered by the Federal Ministry of Justice. Following the unique characteristics of the Austrian political and interest-mediation system described above, it seems to be coherent, that the registration law with all its exemptions became something “typical Austrian”.

Exempted from the requirement to register are:

- lawyers, as long as they do not lobby
- members of Parliament, if they lobby on their respective policies
- political parties
- churches and religious groups
- organizations representing communities

Only limited requirements for registration are in place for the institutions of the social partnership, including their nine regional as well as their technical sub-organizations:

- Federal Chamber of Commerce
- Federal Chamber of Unions
- Federal Chamber of Employees
- Federal Organization of Agriculture



### *The system of the Austrian lobbying registration*

The mandatory register comprised of four sections, separating actors and establishing different levels of transparency.

Section A1 and A2: “Lobbying-companies”, meaning lobbying and public affairs consulting agencies and their clients

Required information in A1 (public):

- basic information about the lobbying-company plus their website
- description of their scope of activities
- code of conduct they comply to
- names and dates of birth of all employed lobbyists
- number of lobbying-clients and annual total turnover regarding lobbying-contracts

Required information regarding clients in A2 (this information is not public):

- names of clients and relevant information about each lobbying-client of a consulting agency
- the scope of the respective lobbying activities

Section B: Companies employing in-house-lobbyists

Required information (public):

- basic information about the company plus their website
- description of their scope of activities
- code of conduct the company complies to
- names and dates of birth of all employed lobbyists
- annual expenditures for lobbying more than Euro 100.000 – to either click “yes” or “no”

Sections C and D: Self-governing bodies and associations

Required information (public):

- website
- number of employees, engaged predominantly in interest representation
- estimate of annual costs of interest representation

This is the environment of professionals working in the field of public affairs and interest representation in Austria. The Austrian Public Affairs Association together with others is thus continuously working with political decision makers to bring about the necessary changes in this regulatory framework in Austria.

Since the very beginning, the term lobbying has had a very negative image in Austria and is thus not used very much. Although it is not legitimate to use the terms lobbying and public affairs interchangeably, it has become industry practice to call the function public affairs. At least to some degree this also mirrors the practice, that most practitioners in Austria are conducting public affairs, rather than lobbying as a single public affairs technique.



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