



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: The Lord Callanan, former Parliamentary Under Secretary of State (Minister for Energy Efficiency and Green Finance) at the Department for Energy Security and Net Zero. Paid appointment with EUTOP Group.

1. You approached the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointment Rules for Former Ministers (the Rules) seeking advice on taking up an appointment as a Structural Advisor for EUTOP Group (EUTOP).
2. The purpose of the Rules is to protect the integrity of the government. The material information taken into consideration by the Committee is set out in the annex.
3. The Committee considered whether this work was unsuitable given EUTOP is a lobbying firm. It has also considered the information provided by you and your former department. The material information taken into consideration by the Committee is set out in the annex below.
4. The Committee has advised that a number of conditions be imposed to mitigate the potential risks to the government associated with this appointment under the Rules. This is not an endorsement of this appointment in any other respect.
5. The Ministerial Code sets out that ministers must abide by the Committee's advice. It is an applicant's personal responsibility to manage the propriety of any appointment. Former ministers of the Crown, and Members of Parliament,

are expected to uphold the highest standards of propriety and act in accordance with the 7 Principles of Public Life.

The Committee's consideration of the risk presented

6. EUTOP is a communications and lobbying firm operating within the European Union.¹ It operates across numerous sectors, with a published client list, under the EU Transparency Register.² As a Structural Advisor you said you would involve advising EUTOP clients on their representation of interests within EU institutions and stakeholder management - providing information and contact management services to EUTOPs clients.
7. You said that you previously worked for EUTOP, prior to entering government, between 2014 and 2017. Your role then was similar - to advise clients on legislation progressing through the EU institutions, particularly the European Parliament, which drew on your previous role as a Member of the European Parliament (MEP).
8. Your former department, the Department for Energy Security and Net Zero (DESNZ) said that EUTOP made contact with the department on behalf of clients for invitations to stakeholder events. It also confirmed you had no contact with the firm, nor did you make any policy, regulatory or commercial decisions relevant to EUTOP while in office. Therefore, the Committee³ considered the risk that you were offered this role as a reward for decisions made or actions taken in office was low.
9. As a former minister, you will have had access to a broad range of privileged information relating to policy development, discussions and therefore possible future options for government policy in energy efficiency. This raises a reasonable risk that you could be seen to offer an unfair advantage to EUTOP or its clients who operate in this sector and who have an interest in UK government policy on energy efficiency. There are factors that help to mitigate this risk:
 - Your role will be to influence and advise clients outside of the UK, in Europe - mainly in Brussels and Munich.
 - This information is not specific to EUTOP or any of its currently known

¹ European Union here means the supranational political and economic body comprising 27 member states.

² https://transparency-register.europa.eu/searchregister-or-update/organisation-detail_en?id=171298025234-65

³ This application for advice was considered by Sarah de Gay; Isabel Doverty; Hedley Finn OBE; Dawid Konotey-Ahulu CBE DL; The Rt Hon Lord Eric Pickles; Michael Prescott; and The Baroness Thornton. Andrew Cumpsty and Mike Weir were unavailable.

clients.

- DESNZ is unaware of any specific information that would offer EUTOP and its clients outside of the UK an unfair advantage.

10. Nonetheless, there remains a risk associated with your access to privileged information. It is unknown which clients you will advise; and what on. The greatest risk arises should you offer advice to clients in the energy market, and in particular on matters related to the UK energy sector.
11. There are significant risks associated with your potential influence that might be seen to influence EUTOP unfairly. It would be improper for a former minister to join a lobbying firm where the work cannot be separated from the company's influencing agenda - given the lobbying ban that applies to all former ministers. It is significant that many of EUTOP's clients operate outside of the UK and you seek to work in the EU, where you have previous experience of working in, and influencing, EU markets and institutions. This experience predates your time as a minister within His Majesty's Government. There is no evidence this would exploit your contacts gained as a minister in DESNZ and it would be in keeping with the lobbying ban as long as the activity does not face the UK government - whether directly or indirectly via the EU work you will be engaged in.
12. It is significant that EUTOP has confirmed that you will not undertake any activities which conflict with ACOBA's advice - separation of lobbying and ring fencing of role.

The Committee's advice

13. There is a risk in this case associated with a potential overlap with your responsibilities as an energy minister in the UK government. You focused mainly on efficiency and green energy, but given the clients and matters you may be asked to work on remain unknown, the risks cannot be fully assessed. Therefore, the Committee considered it was necessary to impose a condition that limits the work to the European role you describe and which prevents you working on matters in the UK energy sector.
14. There are significant risks associated with the real and perceived risk of unfair influence in this role. You are subject to the lobbying ban and must ensure there can be no reasonable cause for concern that you are lobbying the UK government - whether directly or indirectly. To prevent any reasonable suspicion of unfair influence, the Committee has advised that you must not have any engagement with the UK government in this role. It is equally important that you do not make improper use of your privileged insight or contacts to indirectly influence the UK government via the European work you describe. It is significant that EUTOP has confirmed that it will abide by the conditions placed

on your role - including separation of this role from EUTOP's lobbying activities.

15. The Committee agreed that the remaining risks associated with your access to privileged information, influence and contacts are appropriately mitigated by the conditions set out below.

16. In accordance with the government's Business Appointment Rules, the Committee advises that this appointment with **EUTOP Group** be subject to the following conditions:

- you should not draw on (disclose or use for the benefit of yourself or the persons or organisations to which this advice refers) any privileged information available to you from your time in ministerial office;
- for two years from your last day in ministerial office, you should not become personally involved in lobbying the UK government or any of its arm's length bodies on behalf of EUTOP Group (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the government and/or ministerial office to influence policy, secure business/funding or otherwise unfairly advantage EUTOP Group (including parent companies, subsidiaries, partners and clients);
- for two years from your last day in ministerial office, you should not provide advice to or on behalf of EUTOP Group (including parent companies, subsidiaries, partners and clients) on the terms of, or with regard to the subject matter of, a bid with, or contract relating directly to the work of the UK government or any of its arm's length bodies; and
- for two years from your last day in ministerial office, this role must be limited to advising on EU matters outside of the UK energy market. In doing so you must avoid:
 - advising on matters relating to the energy sector within the UK;
 - advising on matters related to clients with whom you had a material relationship while in office;
 - directly engaging with the UK government or its arm's length bodies on behalf of EUTOP Group (including parent companies, subsidiaries, partners and clients).
- The advice and the conditions under the government's Business Appointment Rules relate to your previous role in government only; they are separate from rules administered by other bodies such as the Office of the Registrar of Consultant Lobbyists, the Parliamentary Commissioner for Standards and the

Registrar of Lords' Interests.⁴ You are reminded that as a Member of the House of Lords you are prevented from any paid lobbying under the House of Lords Code of Conduct. It is an applicant's personal responsibility to understand any other rules and regulations they may be subject to in parallel with this Committee's advice.

18. By 'privileged information' we mean official information to which a minister or Crown servant has had access as a consequence of his or her office or employment and which has not been made publicly available. Applicants are also reminded that they may be subject to other duties of confidentiality, whether under the Official Secrets Act, the Civil Service Code or otherwise.
19. The Business Appointment Rules explain that the restriction on lobbying means that the former Crown servant/Minister "*should not engage in communication with government (Ministers, civil servants, including special advisers, and other relevant officials/public office holders) – wherever it takes place - with a view to influencing a government decision, policy or contract award/grant in relation to their own interests or the interests of the organisation by which they are employed, or to whom they are contracted or with which they hold office.*"
20. You must inform us as soon as you take up employment with this organisation, or if it is announced that you will do so. You must also inform us if you propose to extend or otherwise change the nature of your role as, depending on the circumstances, it may be necessary for you to make a fresh application.
21. Once the appointment has been publicly announced or taken up, we will publish this letter on the Committee's website, and where appropriate, refer to it in the relevant annual report.

The Rt Hon Lord Pickles

Annex - material information

The role

1. EUTOP Group (EUTOP) is a government relations and lobbying firm based in the European Union. Its website notes the ever complex and procedure-led decision-making in politics, advertising its services in communicating and the

⁴ All Peers and Members of Parliament are prevented from paid lobbying under the the House of Commons Code of Conduct and the Code of Conduct for Members of the House of Lords. Advice on your obligations under the Code can be sought from the Parliamentary Commissioners for Standards, in the case of MPs, or the Registrar of Lords' Interests, in the case of peers.

importance of doing so to *'...the right person to the right addressee, at the right time and place, in the right manner, and to have detailed knowledge of the goals, interests and mind-sets of the decision-makers, and of both formal and informal decision-making procedures.'* It operates in most regulated sectors, including energy, environment and business and industry. It provides services in:

- process support competence
- perspective change competence
- process structure competence
- governmental Relations
- lobbying
- research & analytics, monitoring
- crisis management, strategy & positioning
- representation of interests
- political consulting

EUTOP's client list, sectors of operation and services can be found on the EU transparency register.⁵

2. You said that your paid, part-time role as a Structural Advisor would mainly be based in Brussels and Munich, and your responsibilities would involve:
 - Advising EUTOP clients on representation of interests in the EU institutions - this will be done on a project-by-project basis.
 - The provision of monitoring, information management and contact management services to their clients.

You said that you will not undertake any advocacy on behalf of EUTOP or their clients towards UK government ministers or departmental officials, and will maintain full compliance with the House of Lords Code of Conduct.

3. You said that you have previously worked from 2014 - 2017, for EUTOP before being appointed as a minister. This is listed in your House of Lords Register of Interests.⁶ You said that your previous role at EUTOP was to advise clients on legislation progressing through the EU institutions, particularly the European Parliament, as you understood the process, having been an MEP. You said that all of the work you did was in Brussels and Germany, as EUTOP had no presence in the UK, and that you were not involved in any lobbying of the UK government. You noted that you will not be returning to the same team, due to turnover of staff.

⁵ https://transparency-register.europa.eu/searchregister-or-update/organisation-detail_en?id=171298025234-65

⁶ <https://publications.parliament.uk/pa/ld/ldreg/prevreg/2014/Register041214.pdf> at page 41.

Dealings in office

4. You gave the Committee the following information about your role as Minister for Energy Efficiency at the Department for Energy Security and Net Zero (DESNZ):
 - You did not make any policy, regulatory or commercial decisions specific to EUTOP or its clients;
 - You did not meet with EUTOP while in office, though you did meet with several communications firms;
 - You had no access to sensitive information that could grant EUTOP or its clients an unfair advantage.

Departmental Assessment

5. DESNZ was consulted on this application. It gave the Committee the following information:
 - You did not make any policy, regulatory or commercial decisions specific to EUTOP.
 - You did not meet with EUTOP while in office, and your ministerial portfolio did not have significant EU engagement or attendance at international events.
 - There is no formal departmental relationship between DESNZ and EUTOP, though EUTOP did make contact with the department on behalf of clients, for invitations to stakeholder events. You were not involved in this.
 - EUTOP is most likely interested in your former role as an MEP and minister at the Department for Exiting the EU (which you left more than four and a half years ago when it was disbanded in January 2020).
 - You had access to some sensitive information in the energy efficiency sphere, but DESNZ noted that the change of government had made it less clear whether that access would now provide an unfair advantage to EUTOP or its clients. This information includes:
 - matters such as the detail of policy analysis behind announced decisions;
 - the emerging policy view on matters not yet announced, and different parts of government's perspectives (e.g. HMT's view on spending issues).
 - The information that was flagged by DESNZ is as follows:
 - regulation of minimum energy efficiency standards for buildings
 - proposed introduction of the Clean Heat Market Mechanism
 - product standards for boilers and energy-related products
 - policy on a range of large-scale government buildings retrofit

delivery programmes

- commercially sensitive information from the Heat Pump Investment Accelerator bidders and, in the context of Clean Heat Market Mechanism discussions, about the main boiler manufacturers' sales expectations.

6. DESNZ recommended the standard conditions.