

Oliver Guersent
Director-General DG Competition
Place Madou/Madouplein 1
1210 Brussels
Belgium

Regarding the possible move of Chief Economist Pierre Régibeau to Compass Lexecon

Dear Director-General Guersent,

We are writing you to express concerns regarding news that the current Chief Economist at DG Competition, Pierre Régibeau, is in talks to join the economic consultancy Compass Lexecon.¹ If this is confirmed, there is clear risk of a conflict of interests in the move, worsened by the fact that it is being negotiated while he is still in public office.

This is even more problematic as DG Competition is considering replacing Mr. Régibeau's with Prof. Fiona Scott Morton who has frequently advised Big Tech firms and is a senior consultant with the economic consultancy firm Charles River Associates.

Clear conflict of interest between Compass Lexecon's work and DG Competition

Compass Lexecon is a competition consultancy representing major corporations in merger, acquisition and antitrust proceedings. The firm provides economic reports on behalf of its clients in front of the courts and provides reports for submission to DG Competition.

Compass Lexecon has been hired by Big Tech companies in some of the biggest tech mergers and acquisitions of the last few years – such as the Google/Fitbit merger, the IBM/Red Hat merger and the Amazon/MGM merger. Compass Lexecon is also acting on behalf of [Apple](#) and [Google](#) in ongoing DG Competition antitrust cases.

Moreover, Compass Lexecon has tried to influence the European Commission's competition policies. The firm has contributed to [public consultations](#), [participated](#) and [organised conferences](#) on EU related policies and has published [policy briefings](#) commissioned by corporate clients.

As Chief Economist, Mr. Régibeau leads a team of around 30 economists which assists in evaluating the economic impact of DG Competition's actions including decisions on mergers and acquisitions. Additionally, the Chief Economist contributes to individual competition cases, to the development of general policy instruments, as well as assisting with cases pending before the Community Courts.

Considering the strong overlap between his work as Chief Economist and the work carried out by Compass Lexecon, the risk of a conflict of interests is substantial. The risk is that Mr. Régibeau makes improper use of his insight into the European Commission's approach to mergers and acquisitions, exploits his networks inside the institutions, and would use information considered confidential for the benefit of a few private companies.

As the [European Ombudsman](#) has put it, revolving-door moves from the Commission to consultancies pose especially high risk: "Moves to consultancies are seen as particularly problematic, because representing a private interest before the Commission, especially when related

¹ On 17 April 2023 Politico reported in its Pro Fair Play newsletter: "The European Commission's chief competition economist Pierre Régibeau is in talks to join economic consultancy Compass Lexecon after his term ends in September, three people familiar with the matter have told Fair Play. Should he take a role there, Régibeau plans to steer clear of competition cases and work predominantly on academic research, according to one of the people we spoke to."

to the work carried out while working for the Commission, may give rise to risks of conflicts of interest.”

This risk was [acknowledged](#) by DG HR in its response to the Ombudsman investigation into revolving doors at the end of 2022 in which DG HR made clear it takes a stricter approach with cases where the planned activity is to take place in law firms, consultancies and public affairs departments.

Even if, as reported by Politico, Mr. Régibeau would only do ‘academic research’ at Compass Lexecon, there still is a risk that he could misuse or disclose information that is not public to the benefit of his new employer and the clients represented by Compass Lexecon. It is implausible that Compass Lexecon would choose not to make wide use of Mr. Régibeau knowledge if employed by the company. Also, it is highly unlikely that once employed, the European Commission can prevent this from happening.

Moreover, the European Ombudsman has in an [earlier case](#) recommended EU institutions should put internal procedures in place to cut off access to confidential information, once it is known that a member of staff is moving to another job.

Article 16 of the EU staff regulations allows the Commission to forbid a move to a new occupational activity within two years after leaving service if that work is related to the work carried out during the last three years of service and could lead to a conflict with the legitimate interests of the institution.

As this is clearly the case, **the undersigned organisations call on the Commission to prohibit Mr. Régibeau from moving to Compass Lexecon at the end of his mandate.**

Pending the Commission’s decision to authorise Mr. Régibeau Article 16 application, could you please answer the following questions:

- Can you confirm that Mr. Régibeau has made an Article 16 application?
- Has the Commission cut off with immediate effect Mr. Régibeau’s access to confidential information once notified of his planned move to Compass Lexecon as [recommended](#) by the European Ombudsman in a previous case?
- Has Mr. Régibeau recused himself from cases in which Compass Lexecon is involved in once he notified the Commission of his planned move to the firm?

In case an Article 16 decision has already been made:

- Did the Commission forbid Mr. Régibeau’s move to Compass Lexecon considering there is a clear risk of a conflict of interests?
- If not, has the Commission put measures in place to mitigate the risk of a conflict of interests? Which measures has the Commission put in place?

Concern with high frequency of revolving doors moves in DG Competition

We further have to express our concerns regarding DG Competition’s overall approach to conflicts of interest of its current and former staff. There have been many cases of DG Competition officials leaving public office to take up employment in consultancies or law firms that actively work on EU competition cases.

Beyond individual conflicts of interest, there is a risk that the lines between public and private interest are blurred. As you are surely aware, the European Ombudsman [has suggested](#)

[improvements](#) to the European Commission. What steps has DG Competition taken to prevent such conflicts of interest?

Thank you much for taking our concerns into consideration. Don't hesitate to get in touch if you have any further questions (for getting back to us please contact Bram Vranken - bram@corporateeurope.org)

Kind regards,

Corporate Europe Observatory
Balanced Economy Project
Open Markets Institute
LobbyControl
Transnational Institute