

**ADVISORY COMMITTEE
ON THE CONDUCT OF MEMBERS**

**2019 ANNUAL REPORT
FIRST HALF**

FOREWORD

In accordance with Article 7(6) of the Code of Conduct for Members of the European Parliament with respect to Financial Interests and Conflicts of Interest (Annex I to the Rules of Procedure of the European Parliament; hereafter: Code of Conduct), the Advisory Committee on the Conduct of Members (hereafter: Advisory Committee) publishes an annual report on its work.

The 2019 Annual Report - First Half covers the work of the Advisory Committee from 1 January to 1 July 2019 and was adopted by the Committee on 20 March 2019.

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Summary

This report covers the activities of the Advisory Committee on the Conduct of Members in the period from 1 January to 1 July 2019.

The Committee was asked to examine two cases of possible violations of the Code of Conduct involving a total of five Members.

For the first half of 2019, the Advisory Committee received one request from a Member seeking its guidance on the interpretation and implementation of the provisions of the Code of Conduct. The Committee provided its counsel in confidence and within the deadline foreseen by the Code of Conduct.

The Advisory Committee continued to apply the highest standards of ethics and transparency at the service of the Members and the Institution, by ensuring that the provisions of the Code of Conduct are scrupulously observed.

The Committee considered particularly important to raise Members' awareness about their disclosure obligations and their duty to be guided by and observe the general principles of conduct in the exercise of their mandate and issued some recommendations in this report aimed at the new Parliament.

In accordance with Article 9 of the Implementing Measures for the Code of Conduct, the competent administrative service (the Members' Administration Unit within DG Presidency, which provides secretariat services for the Advisory Committee) continued to perform a general plausibility check on all declarations of financial interests submitted by the Members in the course of this period.

A total of 4 new declarations of financial interests were submitted by incoming Members during the first half of the year and 26 declarations have been updated. 43 declarations of attendance were published.

1 BACKGROUND

The Code of Conduct for Members of the European Parliament with respect to Financial Interests and Conflicts of Interest sets out the guiding principles of conduct and the main duties of Members when exercising their mandates. Members shall act in the public interest alone and shall not accept any direct or indirect financial benefit or other reward.

Pursuant to Article 2(c) of the Code of Conduct - introduced in 2017 - Members shall not engage in paid professional lobbying directly linked to the Union decision-making process. Article 6 of the Code of Conduct lays down restrictions on the circumstances under which former Members are entitled to carry out lobbying or representational activities.

The Code of Conduct provides a definition of “conflict of interest” (a personal interest that could improperly influence the performance of a Member’s duties) and establishes the necessary steps to address it. Only if the Member is unable to resolve the actual or potential conflict of interest, shall he/she report it in writing to the President. Where such conflict is not evident from his/her Declaration of Financial Interests, Members shall also disclose it in writing or orally before speaking or voting in relation to that matter.

Furthermore, the Code of Conduct contains detailed rules regarding the Declaration of Financial Interests. Members are personally responsible for submitting such declaration containing the required mandatory information in a precise manner (e.g. occupation, activities, memberships for the three years before becoming an MEP and at present, holdings, support received and respective income category). Members are free to provide any additional information. The initial declaration is due by the end of the first plenary sitting after the European elections or within 30 days of taking up office as an MEP if in the course of the parliamentary term. If any change occurs, a revised declaration must be submitted by the end of the following month. Members may not be elected as office-holders of Parliament or its bodies, be appointed as rapporteur or participate in an official delegation or interinstitutional negotiations if they have not submitted their Declaration of Financial Interests.

Members’ disclosure obligations have been completed by the Implementing Measures for the Code of Conduct. Pursuant to its provisions, Members are required to declare promptly their attendance at events organised by people or organisations outside an EP official delegation, if their travel, accommodation and/or subsistence expenses were paid or reimbursed by others (except certain categories: EU institutions, Member States authorities, international organisations, political parties, etc.).

Members have to notify the President and hand over all gifts they receive when representing Parliament in an official capacity. In addition, in the performance of their duties, Members shall refrain from accepting gifts with an approximate value above EUR 150.

These declarations and the register of official gifts are directly accessible on Parliament’s public website.

All the aforementioned disclosure obligations reflect Parliament’s strong commitment to transparency and ethics. Moreover, the Code of Conduct provides for a mechanism of monitoring and enforcement of its provisions.

At the request of the EP President, the Advisory Committee examines any alleged breach to the Code of Conduct and the EP President may adopt a decision laying down a penalty.

2 THE ADVISORY COMMITTEE ON THE CONDUCT OF MEMBERS

2.1 Composition

The Advisory Committee was established by Article 7(1) of the Code of Conduct.

Pursuant to Article 7(2) and (3) of the Code of Conduct, at the beginning of his or her term, the President appoints five permanent members from amongst the members of Parliament's Committee on Constitutional Affairs and Committee on Legal Affairs, taking due account of their experience and of political balance.

The permanent members composing the Advisory Committee, appointed by the President on 5 April 2017, are:

- Ms Danuta Maria HÜBNER (EPP, Poland);
- Ms Mady DELVAUX (S&D, Luxembourg);
- Mr Sajjad KARIM (ECR, United Kingdom);
- Mr Jean-Marie CAVADA (ALDE, France);
- Mr Jiří MAŠTÁLKA (GUE, Czech Republic).

At the beginning of his term of office, the President also appoints a reserve member for each political group not represented among the permanent members of the Advisory Committee. They are:

- Ms Heidi HAUTALA (Greens/ALE, Finland);
- Ms Laura FERRARA (EFDD, Italy);
- Mr Gerolf ANNEMANS (ENF, Belgium).

2.2 Chair

In accordance with the second subparagraph of Article 7(2) of the Code of Conduct, each permanent member of the Advisory Committee serves as Chair for six months on a rotating basis. Article 3 of the Committee's Rules of Procedure further specifies that, in principle, rotation follows in descending order the size of the political groups to which the members of the Committee belong.

In the first half of 2019, the following members of the Advisory Committee served as Chair: Mr CAVADA until end March and Mr MAŠTÁLKA from April until end June.

2.3 Meetings in 2019

The Advisory Committee met on 6 occasions in the first half of 2019.

Calendar of meetings of the Advisory Committee in 2019

Monday 14 January¹
Tuesday 22 January
Tuesday 26 February²
Tuesday 19 March³
Tuesday 9 April⁴
Tuesday 4 June
Thursday 13 June⁵

2.4 Tasks

The Advisory Committee:

- Gives guidance to Members upon request on the interpretation and implementation of the provisions of the Code of Conduct.

In accordance with the first subparagraph of Article 7(4) of the Code of Conduct, the Advisory Committee gives guidance in confidence and within 30 calendar days. A Member who seeks guidance from the Committee is then entitled to rely on such guidance.

- Assesses alleged breaches of the Code of Conduct and advises the President on possible action to be taken.

This assessment occurs at the request of the President pursuant to the second subparagraph of Article 7(4) and Article 8 of the Code of Conduct.

Where there is reason to think that a Member may have breached the Code of Conduct, the President shall - except in manifestly vexatious cases - refer the matter to the Advisory Committee. The Advisory Committee then examines the circumstances of the alleged breach, and may hear the Member concerned. The Committee makes a recommendation to the President on a possible decision.

If, taking into account that recommendation, the President concludes that the Member concerned has indeed breached the Code of Conduct, he/she shall adopt a reasoned decision laying down a penalty according to Rule 166 of the Rules of Procedure.

2.5 Work carried out during the year

¹ Extraordinary meeting.

² The meeting was cancelled, due to lack of quorum.

³ For organisational reasons, the meeting was postponed to 20 March.

⁴ For organisational reasons, the meeting was advanced to 4 April.

⁵ Extraordinary meeting.

2.5.1 Possible breaches of the Code of Conduct

In the first half of 2019, the Advisory Committee dealt with two matters concerning possible breaches of the Code of Conduct, involving a total of five Members.

The first President's referral, received end 2018 but examined in 2019, concerned a case involving the omission by four Members to comply with the disclosure obligations concerning an unremunerated Membership. The Advisory Committee was of the opinion that the Members' failure to submit an updated declaration of financial interests within the deadline specified in Article 4(1) of the Code of Conduct indeed constituted a breach of the Code of Conduct, but that due to the late submission of the declaration, no further action was required in this case.

The second referral related to a Member's failure to submit a revised declaration of financial interests to include a company board membership, a holding and support received in line with Article 4(2)(d)(f) and (g) of the Code of Conduct and a declaration of attendance at an event organised by a third party according to Article 5(3) of the Code of Conduct and Chapter 2 of its Implementing Measures within the applicable deadline. The Advisory Committee concluded that the Member committed a serious breach of the Code of Conduct and that the case would merit further attention.

2.5.2 Guidance on the interpretation and implementation of the Code of Conduct

During this period, the Advisory Committee received, under the first subparagraph of Article 7(4), one formal request for guidance on the interpretation and implementation of the Code of Conduct.

This case concerned a request for guidance regarding a potential conflict of interests arising from a Member's current EP positions and an application for an unremunerated elected position as Chairperson of the Board of Directors of a research centre and an association active in a sector-specific field of industrial competitiveness. The Advisory Committee noted the applicable rules and recommended to the Member either not to apply for the positions or to give up membership of his current committees.

In addition, throughout this period the Secretariat continued, following its well established practice, to respond to inquiries put forward by Members or their parliamentary assistants in order to help them correctly apply the provisions of the Code and its Implementing Measures.

2.5.3 Best practices

The Secretariat engaged in an exchange of views with the Members of the Committee on Rules of procedure, Immunities and Institutional Affairs of the Parliamentary Assembly of the Council of Europe on the Consolidation of the mechanism for the implementation of the Code of Conduct of the PACE members with regard to the procedure of examination and treatment of complaints.

2.6. Recommendations ahead of the next legislative term

The Advisory Committee's main goal is to help Members fulfil their duty to be guided by and observe the general principles of conduct in the exercise of their mandate and meet their disclosure obligations.

To lower the risk of the President ultimately needing to resort to sanctions, the Advisory Committee has always favoured a proactive approach towards Members and a constant clarification of Members' disclosure obligations, within the scope of the Code of Conduct. Confidentiality is strictly observed at all times.

So far, when a breach to the Code of Conduct is promptly rectified by the Member concerned, through the submission of the appropriate declaration, correctly completed, the Advisory Committee has been of the opinion that no further follow-up is needed.

The Advisory Committee encourages the new Parliament to keep this practice.

The Advisory Committee stresses the need to raise Members' awareness, so that they are in a position to meet their obligations pursuant to the Code of Conduct in an exhaustive and transparent way. It is particularly important to provide information (see below) and guidance at the beginning of the new legislative term.

Regarding the issue of "conflicts of interest", pursuant to Article 3 of the Code of Conduct, the Advisory Committee considers that, even though it is primarily the Members' responsibility to assess the existence of a personal interest and whether it could affect their performance as MEP, the requirements of impartiality to be fulfilled by Members of the European Parliament should be further clarified and strengthened.

3 ACTIVITIES LINKED TO THE CODE OF CONDUCT

3.1 Submission and updating of Members' declarations of financial interests

In accordance with Article 4(1) of the Code of Conduct, a new Member starting his/her mandate in Parliament in the course of the legislative term is personally responsible for submitting a detailed declaration of his/her financial interests, containing information provided in a precise manner, within 30 days of taking up office. In the first half of 2019, all incoming Members, submitted their declarations of financial interests within that time-limit.

In addition, Article 4(1) requires a Member to declare any change that has an influence on his/her declaration by the end of the month following the change occurring. As a result of this obligation, 26 updated declarations were submitted to the President in the course of the first half of the year.

For Members elected for the ninth parliamentary term in the elections held from 23 to 26 May, the submission of their initial and revised declarations will be reported in the Annual report covering the second half of 2019.

3.2 Monitoring procedure for Members' declarations of financial interests

Article 9 of the Implementing Measures for the Code of Conduct lays down the rules of a monitoring procedure to be conducted by the competent service with regard to Members' declarations of financial interests.

Where there is reason to think that a declaration contains manifestly erroneous, flippant, illegible or incomprehensible information, a general plausibility check is carried out, on behalf of the President, by the Members' Administration Unit in DG Presidency, for clarification purposes. The Member concerned is allowed a reasonable time to react. Where the clarifications provided are deemed insufficient and thus the check does not resolve the matter, the President decides how to proceed.

Throughout the year, the monitoring procedure applies equally to new declarations submitted by incoming Members taking up office with the Parliament during the course of the parliamentary term and to amended versions of existing declarations.

4 ADMINISTRATION

The Members' Administration Unit in DG Presidency provides secretariat services to the Advisory Committee and has been designated by the Secretary-General as the competent service under Articles 2, 3, 4 and 9 of the Implementing Measures for the Code of Conduct. Its contact details are the following:

Advisory.Committee@europarl.europa.eu

European Parliament
Secretariat of the Advisory Committee on the Conduct of Members
60, rue Wiertz
PHS 07B022
B-1047 Brussels

Your Disclosure Obligations

For transparency reasons and according to the [Code of Conduct with respect to financial interests and conflicts of interest](#), and its [Implementing measures](#), you have to make public the following information:

Declaration of Financial Interests

When?

You are **personally responsible** for submitting a Declaration of Financial interests containing the required **mandatory information** in a **precise manner** (e.g. occupation, activities, memberships for the three years before you became an MEP and at present, holdings, support received and respective income category). You are free to provide additional information.

By the end of the first plenary sitting after the European elections (or within 30 days of taking up office as an MEP if in the course of the parliamentary term).

If **any change** occurs, you must submit a revised declaration **by the end of the following month**.

How?

By completing your Declaration directly online in **MEP Portal** (or using the [word form](#)).

You need to print it and send the **signed original** to the **Members' Administration Unit** (PHS 07B019 in Brussels - or LOW H00057 during Strasbourg sessions).

If not?

You may **not be elected as office-holder** of Parliament or any of its bodies, be appointed as a **rapporteur** or participate in official delegations or interinstitutional negotiations, if you have not submitted your declaration of financial interests.

Declaration of Attendance

If you attend an **event organised by people or organisations** outside an EP official delegation, you must submit a “Declaration of Attendance pursuant to an invitation at events organised by third parties” if:

- **your travel, accommodation and/or subsistence expenses was paid** or reimbursed by others (except certain categories: EU institutions, Member States authorities, international organisations, political parties, etc.).

When?

By no later than the **last day of the month following** the final day of attendance (e.g. 30 April for an event on 14 March).

How?

By completing your Declaration directly online in **MEP Portal** (or using the [word form](#)), with the **required information**, including:

- identification of who paid;
- type of expensed covered and whether in full or in part;
- nature and programme of the event.

You need to print it and send the **signed original** to the **Members’ Administration Unit** (PHS 07B019 in Brussels - or LOW H00057 during Strasbourg sessions).

Your Declarations of Financial Interests and of Attendance will be published under your MEP profile in the *Europarl* website.

Gifts

If you receive a gift, while **representing Parliament in an official capacity** (e.g. as President, Vice-President, Quaestor, Chair or Vice-Chair of a Committee or Delegation), you must **notify the President**, specifying the donor, the date of receipt and the estimate value of the gift.

The gift must be **handed over** to the Members' Administration Unit (PHS 07B019 in Brussels - or LOW H00057 during Strasbourg sessions) where it will be **registered**.

When?

By no later than the **last day of the next month** following the date of receipt of the gift.

How?

By using the corresponding [word form](#).

In the performance of your duties, you may only accept gifts or similar benefits below € 150 given in accordance with courtesy usage.

Conflict of Interests

If you have a **personal interest** that could improperly **influence the performance of your duties** and you are unable to resolve it, you must:

- report this to the President in writing;
- disclose it before speaking or voting.

You can seek confidential guidance from the [Advisory Committee on the Conduct of Members](#) on all matters related to the Code of Conduct.

If the EP President concludes that you have breached the Code of Conduct, he/she may adopt a decision laying down a penalty.

For any questions, please contact AdminMEP@europarl.europa.eu