

**ADVISORY COMMITTEE  
ON THE CONDUCT OF MEMBERS  
2020 ANNUAL REPORT**

## **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 Annual Report on the work of the Advisory Committee from 1 January to 31 December 2020 was adopted by the Committee on 30 March 2021.

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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 31 December 2020.

The Advisory Committee was asked to examine two cases of possible violations of the Code of Conduct, of which one is still pending at the date of adoption of this Annual Report.

The Committee received three requests from Members 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.

This year has seen a decrease in the number of matters the Committee has had to deal with, which may be ascribable to an overall drop of outside activities of Members and to the travel restrictions due to the outbreak of the COVID-19 pandemic, which led to a much lower number of declarations of attendance at events being submitted.

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.

To this end, in April 2020 the President also launched an awareness campaign on the importance of the Code of Conduct, reminding Members of their disclosure obligations pursuant to the Code of Conduct and its Implementing Measures.

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 performing a general plausibility check on the declarations of financial interests submitted by Members in the course of the year.

A total of 39 new declarations of financial interests were submitted by incoming Members. Among these, 27 declarations were submitted by Members taking up their offices after the withdrawal of the United Kingdom from the European Union on 31 January 2020. The number of updated declarations of financial interests submitted under the ordinary obligations foreseen by the Code of Conduct was 129, corresponding to 110 Members. Finally, 31 declarations of attendance at events organised by third parties were submitted by 28 Members and subsequently 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 in the exercise of their mandates. According to the guiding principles, Members shall act solely in the public interest and shall not accept any direct or indirect financial benefit or other reward.

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

The Code of Conduct provides a definition of “conflict of interest” (i.e. a personal interest that could improperly influence the performance of a Member’s duties) and establishes the necessary steps to address it. If the Member is unable to resolve the actual or potential conflict of interest, he or she shall report this in writing to the President. Where such conflict is not evident from his or her Declaration of Financial Interests, the Member shall also disclose any actual or potential conflict of interest before speaking or voting in plenary or in one of Parliament’s bodies, or if proposed as a rapporteur, in relation to the matter under consideration.

Furthermore, the Code of Conduct establishes detailed rules regarding the Declaration of Financial Interests. In particular, Members are held responsible for submitting a declaration containing all the required mandatory information in a precise manner (e.g. remunerated or unremunerated occupations, activities, memberships for the three years before becoming a Member and also during the mandate, 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 session after the European elections or within 30 days of taking up office as a Member during 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 are complemented by the Implementing Measures for the Code of Conduct. Pursuant to these provisions, Members are required to declare without delay 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 are required 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 President, the Advisory Committee examines any alleged breach to the Code of Conduct and the President may adopt a decision laying down one of the penalties referred to in Rule 176 of Parliament's Rule of Procedure.

## **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.

For the first two and a half years during the 9th parliamentary term, the permanent members composing the Advisory Committee, appointed by the President on 23 October 2019, are:

- Ms Danuta Maria HÜBNER (EPP, Poland);
- Mr Giuliano PISAPIA (S&D, Italy);
- Ms Karen MELCHIOR (Renew, Denmark);
- Ms Heidi HAUTALA (Greens/EFA, Finland);
- Mr Geert BOURGEOIS (ECR, Belgium).

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

- Mr Gerolf ANNEMANS (ID, Belgium);
- Mr Helmut SCHOLZ (GUE/NGL, Germany).

## 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 2020, Ms HÜBNER, Mr PISAPIA and Ms MELCHIOR were the permanent members of the Advisory Committee who served as Chairs. Ms MELCHIOR's mandate as Chair runs until the end of April 2021.

## 2.3 Meetings in 2020 and 2021

The calendar of meetings of the Advisory Committee for 2020 was adopted on 11 November 2019. With the outbreak of the COVID-19 pandemic, most of the Advisory Committee's scheduled meetings for 2020 had to be cancelled. Nevertheless, the Advisory Committee continued to work, covering all matters within its remit and taking decisions by written procedure in cases where this was possible under the rules of procedure of the Committee.

### Calendar of meetings in 2020

Tuesday, 21 January<sup>1</sup>  
Tuesday 18 February  
Tuesday 17 March<sup>2</sup>  
Tuesday 21 April<sup>2</sup>  
Tuesday 26 May<sup>2</sup>  
Tuesday 23 June<sup>2</sup>  
Tuesday 14 July  
Tuesday 8 September<sup>2</sup>  
Tuesday 13 October<sup>2</sup>  
Tuesday 17 November<sup>2</sup>  
Tuesday 8 December<sup>2</sup>

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<sup>1</sup> The meeting was postponed to 28 January 2020.

<sup>2</sup> The meeting was cancelled.

In 2020, the Advisory Committee met on four occasions:

**Calendar of actual meetings in 2020**

Tuesday, 28 January  
Tuesday 18 February  
Thursday 20 February (extraordinary meeting)  
Tuesday 14 July

On 12 November 2020, the Advisory Committee adopted its calendar of meetings for 2021:

**Calendar of meetings in 2021**

Tuesday, 26 January  
Tuesday 23 February  
Tuesday 16 March  
Tuesday 13 April  
Tuesday 25 May  
Tuesday 15 June  
Tuesday 13 July  
Tuesday 7 September  
Tuesday 26 October  
Tuesday 30 November  
Tuesday 14 December

## 2.4 Tasks

The Advisory Committee is responsible for:

- Providing guidance to Members upon their 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. Any Member can address the Committee with a request for guidance on the interpretation and implementation of the provisions of the Code and is entitled to rely on such guidance.

- Assessment of alleged breaches of the Code of Conduct and advising 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 or she shall adopt a reasoned decision laying down a penalty according to Rule 176 of the Rules of Procedure.

## **2.5 Work carried out during the year**

### **2.5.1 Possible breaches of the Code of Conduct**

In 2020, the President referred to the Advisory Committee two possible breaches of the Code of Conduct.

The first referral involved a Member's omission to comply with the disclosure obligations concerning an unremunerated position held within a Federation. The President asked the Committee to examine the circumstances of the alleged breach of the Code of Conduct. After having heard the Member concerned, the Advisory Committee concluded, in its recommendation to the President that the failure of the Member to comply with the reporting obligations specified in the Articles 3 and 4 of the Code of Conduct constituted a breach of the Code, which may have given rise to a conflict of interest.

The President referred to the Advisory Committee a second case of alleged breach of the Code of Conduct, involving a Member's omission to comply with the disclosure obligation concerning the ownership of holdings within a company. The assessment of this matter by the Advisory Committee will be finalised in 2021.

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

During the year, the Advisory Committee received, under the first subparagraph of Article 7(4), three formal requests by Members for guidance on the interpretation and implementation of the Code of Conduct.

The first case concerned a request for guidance by a Member on the impact that starting an outside activity as director in a private enterprise would have on his/her declaration of financial interests. In particular, the Member sought guidance from the Committee on how to disclose such position, which would be unremunerated and only give the Member the right to reimbursement of the travel and subsistence expenses occurred in relation to that activity. Further to this, the Member referred to the possibility of being offered stock options in alternative to a direct remuneration, and sought advice on how to disclose such options in the declaration of financial interests. The Advisory Committee concluded its examination by noting the applicable rules under the Code of Conduct and recommended to the Member to disclose the position as director in accordance with Article 4(2)(d) of the Code, stressing at the same time the possibility to specify in the appropriate section of the declaration any additional information concerning the reimbursement received for travel and subsistence expenses. Furthermore, the Advisory Committee advised the Member to disclose any offered



stock option in accordance with either Article 4(2)(f), provided that any of the conditions thereof was to be fulfilled, or Article 4(2)(h) as a financial interest which might influence the performance of his/her duties as a Member.

The second case concerned a request for guidance on the potential conflict of interests arising from a Member's position in Parliament and the acceptance of an unremunerated position as member of the advisory board of a European network of organisations. The Advisory Committee noted the applicable rules under the Code of Conduct and recommended to the

Member, in the event that he/she was to be proposed as a rapporteur or a shadow rapporteur on a subject related to the work of the network, either to decline the position as rapporteur or shadow rapporteur or to relinquish any private involvement in the network in question.

The third case concerned a request for guidance by a Member on the application of Article 4 of the Code of Conduct and the potential conflict of interests arising from the acceptance of a remunerated role as chair of the annual general meeting of a public limited company. The Advisory Committee noted the applicable rules under the Code of Conduct and specified the scope of Article 4 of the Code. Furthermore, the Advisory Committee advised the Member to disclose the role of chair of the annual general meeting of the company, under the conditions set out in the Article 4(1) and (2)(d) of the Code. Finally, the Advisory Committee recommended to the Member, in the event that he/she was to be proposed as a rapporteur or a shadow rapporteur on a subject related to the business of the company, either to decline the position as rapporteur or shadow rapporteur or to relinquish any private involvement in the business in question.

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

### **3 ACTIVITIES LINKED TO THE CODE OF CONDUCT**

#### **3.1 Raising awareness on the importance of the Code of Conduct**

Since the start of its mandate, the Advisory Committee had stressed on several occasions the need to raise awareness among Members of the importance of the Code of Conduct.

In April 2020, upon a recommendation of the Advisory Committee, the President launched an awareness-raising campaign on the Code of Conduct, reminding all Members of the disclosure obligations applying to them pursuant to the Code of Conduct and its Implementing measures.

#### **3.2 Submission and updating of Members' declarations of financial interests**

Pursuant to Article 4(1) of the Code of Conduct, Members are personally responsible for submitting a detailed declaration of financial interests by the end of the first part-session after elections to the European Parliament or within 30 days of taking up office with the Parliament in the course of a parliamentary term. In 2020, 39 incoming Members submitted

their declarations of financial interests within that time-limit. Among these, 27 declarations were submitted by Members who took up their offices after the withdrawal of the United Kingdom from the European Union on 31 January 2020.

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, 129 updated declarations were submitted to the President by 110 Members, in the course of the year 2020.

### **3.3 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 to new declarations submitted by incoming Members taking up office following elections and also those whose mandates begin during the course of the parliamentary term. It also applies 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:

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