

**ADVISORY COMMITTEE
ON THE CONDUCT OF MEMBERS
2021 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 2021 was adopted by the Committee on 6 May 2022.

Table of contents

1. Background

2. The Advisory Committee on the Conduct of Members

2.1 Composition

2.2 Chair

2.3 Meetings in 2021 and 2022

2.4 Tasks

2.5 Work carried out during the year

3. Activities linked to the Code of Conduct

3.1 Submission and updating of Members' declarations of financial interests

3.2 Monitoring procedure for Members' declarations of financial interests

4. Administration

Summary

This report covers the activities of the Advisory Committee on the Conduct of Members in the period from 1 January to 31 December 2021.

The Advisory Committee was asked to examine two cases of possible violations of the Code of Conduct.

The 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.

As in the previous year, 2021 has also seen a decrease in the number of matters the Committee has had to deal with. Nevertheless, the 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.

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. Furthermore, following a longstanding practice, the competent administrative service continued 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.

The number of updated declarations of financial interests submitted under the ordinary obligations foreseen by the Code of Conduct was 102, corresponding to 79 Members. Among them, 9 declarations were submitted by incoming Members. Moreover, 56 declarations of attendance at events organised by third parties were submitted by 33 Members and subsequently published. Finally, one gift was notified to the President.

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, were:

- 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. For the first two and a half years during the 9th parliamentary term, the reserve members were:

- 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 2021, Ms MELCHIOR, Ms HAUTALA and Mr BOURGEOIS were the permanent members of the Advisory Committee who served as Chairs.

2.3 Meetings in 2021 and 2022

The calendar of meetings of the Advisory Committee for 2021 was adopted on 12 November 2020. Due to the continued effect of the COVID-19 pandemic, some of the Advisory Committee's scheduled meetings for 2021 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. Furthermore, hybrid participation in meetings was arranged for Members of the Committee, by maintaining the highest standard in terms of confidentiality of proceedings.

Calendar of meetings in 2021

Tuesday 26 January¹
Tuesday 23 February²
Tuesday 16 March³
Tuesday 13 April
Tuesday 25 May
Tuesday 15 June
Tuesday 13 July¹
Tuesday 7 September¹
Tuesday 26 October
Tuesday 30 November¹
Tuesday 14 December¹

¹ The meeting was cancelled.

² This meeting was replaced by an extraordinary meeting convened on 10 February 2021.

³ The meeting was postponed to 18 March 2021.

In 2021, the Advisory Committee met on six occasions:

Calendar of actual meetings in 2021

Wednesday 10 February (extraordinary meeting)
Thursday 18 March
Tuesday 13 April
Tuesday 25 May
Tuesday 15 June
Tuesday 26 October

On 26 April 2022, the Advisory Committee adopted its calendar of meetings for 2022:

Calendar of meetings in 2022

Tuesday 26 April
Tuesday 17 May
Tuesday 14 June
Tuesday 12 July
Tuesday 27 September
Tuesday 25 October
Tuesday 29 November
Tuesday 6 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 2021, 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 obligation concerning the ownership of holdings within a company. The President had asked the Committee to examine the circumstances of this alleged breach of the Code of Conduct at the end of 2020. In its recommendation to the President, the Advisory Committee concluded that the Member's failure to submit a declaration of financial interests in line with Article 4(2)(f) of the Code of Conduct constituted a formal breach of the Code of Conduct, but that due to the prompt submission of an updated declaration by the Member concerned, no further action was required.

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 support granted in connection with his or her political activities by a third party. The Advisory Committee examined all the circumstances of the alleged breach of the Code of Conduct and concluded, in its recommendation to the President, that the Member's failure to comply with the disclosure obligation under Article 4(2)(g) of the Code of Conduct constituted a breach of the Code of Conduct, and that the case would merit further attention. Following the recommendation of the Advisory Committee, the President decided to apply a sanction decision imposing on the Member a penalty, among those listed under Rule 176(4) of Parliament's Rules of Procedure.

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), one formal request for guidance by a Member on the interpretation and implementation of the Code of Conduct.

The case concerned a request for guidance by a Member on whether his or her involvement in an initiative organised by representatives of the civil society, in the form of signing a letter of support for it, would be allowed under the Code of Conduct. The Advisory Committee noted the applicable rules under the Code of Conduct and stressed, in particular, the possibility to disclose such involvement, on a voluntarily basis, in the category (I) of the declaration of financial interests. Furthermore, the Advisory Committee recommended to the Member, in the event that he or she was to be proposed as a rapporteur or a shadow

rapporteur on a subject related to such initiative, either to decline the position as rapporteur or shadow rapporteur or to relinquish any involvement in the initiative in question.

On this occasion, the Advisory Committee pointed out that the jurisprudence of the Court of Justice of the European Union to date has clarified that the Code of Conduct in its Article 3 defines ‘conflict of interest’ not only as a private interest which actually influences the Member in the performance of his or her duties, but also as ‘a situation in which the interest identified may, in the eyes of the public, appear to influence the impartial and objective performance’ of the Member’s duties. In this sense, beyond revealing any potential conflict of interest, the disclosure obligation aims equally ‘at informing the public of the risks of [a Member] being subject to conflicts of interest’⁴.

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 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 2021, 9 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 or her declaration by the end of the month following the change occurring. As a result of this obligation, 102 updated declarations were submitted to the President by 79 Members, in the course of the year 2021.

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. In 2021, no such case occurred.

Throughout the year, the monitoring procedure applies to new declarations submitted by incoming Members taking up office following elections and also those whose mandates

⁴ Judgment of 15 July 2015, *Dennekamp v Parliament*, T-115/13, EU:T:2015:497, paragraph 106.

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:

Advisory.Committee@europarl.europa.eu

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