

**THE ADVISORY COMMITTEE
ON THE CONDUCT OF MEMBERS
ANNUAL REPORT 2015**

FOREWORD

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) states that *"The Advisory Committee shall publish an annual report of its work"*.

This annual report on the work of the Advisory Committee on the Conduct of Members covers the period 1 January to 31 December 2015 and was adopted by the Committee on 16 February 2016.

Table of content

1. Background

2. The Advisory Committee on the Conduct of Members

2.1 Composition and tasks

2.2 Chairmanship

2.3 Meetings 2015 & 2016

2.4 Work carried out during the year

3. Activities Related to the Code of Conduct

3.1 Monitoring Procedure for Members' Declarations of financial interests

3.2 Submission of Members' Declarations of financial interests

4. Administration

Executive summary

The present report covers the activities of the Advisory Committee on the Conduct of Members from 1 January to 31 December 2015.

Naturally, the Advisory Committee devoted most of its time and energy to its main, twofold missions: to assess alleged breaches of the Code of Conduct upon referral from the President, and to give guidance to Members on the interpretation and implementation of the Code. By doing so, it further enriched its jurisprudence.

In 2015, the Advisory Committee also endeavoured to offer a top-of-the-art service to Members, ensuring that the provisions of the Code were scrupulously observed while keeping the administrative burden as light as possible at the same time. To do so, the Committee laid special emphasis on raising awareness on the Code. At the same time, these awareness-raising activities were also conducted with an international dimension.

Besides, the competent administrative service (the Members' Administration Unit within DG Presidency, which provides the Secretariat for the Advisory Committee) has continued to submit all the Members' Declarations of financial interests to a general plausibility check, in accordance with Article 9 of the Implementing Measures for the Code of Conduct which entered into force on 1 July 2013.

20 new Declarations were submitted by incoming Members throughout the year, and 105 updated Declarations were submitted by 88 Members as part of their normal updating obligations. These updated Declarations included a total of 161 changes, i.e. in some cases more than one change was made in a single update.

1 BACKGROUND

The Code of Conduct for Members of the European Parliament entered into force on 1 January 2012.

It sets out as its guiding principles that Members shall act solely in the public interest and conduct their work with disinterest, integrity, openness, diligence, honesty, accountability and respect for the institution's reputation.

The Code of Conduct defines conflicts of interest and how Members should address them and provides a number of disclosure obligations for Members as well as rules on professional activities of former Members.

In particular, it puts an obligation on Members to submit a detailed Declaration of their financial interests.

Under the Implementing Measures for the Code of Conduct which entered into force on 1 July 2013, Members are also required to declare their attendance at events organised by third parties and to notify and hand over gifts which they have received when representing Parliament in an official capacity, under the conditions laid down in the Implementing Measures for the Code of Conduct.

These disclosure obligations are a reflection of the demanding rules and standards of transparency laid down in the Code of Conduct. The information supplied by Members in their declarations of financial interests and of attendance at events can be found on their individual profile pages on Parliament's website, whereas the declarations related to gifts are reported in the register of gifts, also published on Parliament's website.

Any Member found to be in breach of the Code of Conduct can be given a penalty by the President. This penalty is announced by the President in Plenary and prominently published on Parliament's website for the remainder of the parliamentary term.

2 THE ADVISORY COMMITTEE ON THE CONDUCT OF MEMBERS

2.1 Composition and tasks

The Advisory Committee on the Conduct of Members was established by Article 7(1) of the Code of Conduct. According to Article 7(2), the Committee is "composed of five members, appointed by the President at the beginning of his or her term of office from amongst the members of the bureaux and the coordinators of the Committee on Constitutional Affairs and the Committee on Legal Affairs, taking due account of the Members' experience and of political balance [...]".

The members of the Advisory Committee 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); and
- Mr Jiří MAŠTÁLKA (GUE, Czech Republic).

According to Article 7(3) of the Code of Conduct, "The President shall also, at the beginning of his or her term of office, nominate reserve members for the Advisory Committee, one for each political group not represented in the Advisory Committee [...]".

The reserve members of the Advisory Committee are:

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

In this respect, the President appointed Mr Gerolf ANNEMANS as the third reserve member of the Advisory Committee on 9 September 2015, so that the Europe of Nations and Freedom group be also represented if needed, following the constitution of this new political group within the European Parliament.

Pursuant to Article 7(4) and Article 8 of the Code of Conduct, the tasks of the Advisory Committee consist in assessing alleged breaches referred to it by the President, and giving guidance to Members on the interpretation and implementation of the Code. Requests from Members are treated confidentially and Members are entitled to rely on this guidance, which is given within 30 days.

In order to fully safeguard the confidentiality of the Committee's proceedings, all the members, assistants and staff who attend its meetings have been requested to sign a declaration of confidentiality in 2015. Besides, as of that year, all documents have been transmitted to Committee's members in a sealed envelope instead of via email.

2.2 Chairmanship

As laid down in Article 7(2) of the Code of Conduct, "each member of the Advisory Committee shall serve as chair for six months on a rotating basis" and according to Rule 3 of its Rules of Procedures, this "rotation shall, in principle, follow in

descending order the size of the political group of the members composing the Advisory Committee"¹.

However, for the sake of continuity between the 7th and 8th legislative terms, the President had requested Mr Karim (ECR), who is the only member of the current Advisory Committee who was already a member during the previous term, to serve as the Chair-in-office until February 2015.

Thereafter, the rotation has been following in descending order the size of the political groups of the members composing the Advisory Committee. As a consequence, Ms Hübner (EPP) has acted as a chair-in-office from March to August 2015. Ms Delvaux (S&D) has succeeded her and will chair the Committee until the end of February 2016.

2.3 Meetings

The Advisory Committee met on eleven occasions in 2015.

Calendar of Meetings of the Advisory Committee in 2015

Tuesday 20 January
Tuesday 24 February
Tuesday 24 March ²
Tuesday 14 April
Tuesday 26 May
Tuesday 23 June
Tuesday 14 July
Tuesday 22 September³
Tuesday 13 October
Tuesday 10 November
Tuesday 8 December

At its meeting of 8 December 2015, the Advisory Committee also adopted the following meeting calendar for 2016.

¹ As adopted by the Advisory Committee on 7 March 2012 and revised on 9 October 2012, http://www.europarl.europa.eu/pdf/meps/Rules_of_Procedure_EN.pdf.

² Chair rotation: Ms Danuta Maria Hübner (EPP) took over from Mr Karim (ECR).

³ Chair rotation: Ms Mady Delvaux (S&D) took over from Ms Danuta Maria Hübner (EPP).

Calendar of Meetings of the Advisory Committee in 2016

Tuesday 26 January
Tuesday 16 February
Tuesday 15 March⁴
Tuesday 19 April
Tuesday 24 May
Tuesday 21 June
Tuesday 12 July
Tuesday 27 September⁵
Tuesday 18 October
Tuesday 15 November
Tuesday 6 December

2.4 Work carried out during the year

2.4(i) Alleged breaches of the Code of Conduct

In 2015, five cases of alleged breaches of the Code of Conduct were referred to the Advisory Committee by the President in the framework of the procedure laid down by Article 8 of the Code of Conduct. Three of them concerned men and two concerned women.

Four of these cases concerned Members who had travelled to non-EU Member States and had omitted to subsequently submit a declaration of attendance pursuant to an invitation at events organised by third parties, pursuant to Chapter 2 of the Implementing Measures for the Code of Conduct, although their travel, accommodation or subsistence expenses had been paid for by third parties. In this respect, the Advisory Committee found that the Code of Conduct had indeed been breached, but recommended that no further action be taken, due to the fact that all the Members concerned had promptly submitted an explanatory letter and the adequate declaration after being contacted or heard by the Committee.

The fifth case concerned a Member who was involved in a brawl with journalists on the margins of a demonstration which was taking place outside Parliament's premises. Although the Advisory Committee condemned this very regrettable incident, it also found that no violation of the Code of Conduct could be established, as the Code explicitly limits the scope of its provisions to the behaviour of Members in the strict exercise of their parliamentary duties.

The President also asked the Advisory Committee to evaluate whether the fact that a political party received a loan from a bank supposedly linked to a third country might create a situation of conflict of interest for the Members who belong to this party when they deal with international issues involving the country in question. The Committee carefully assessed all the aspects of the matter at hand and found no legal grounds to recommend a formal referral at this stage.

⁴ Chair rotation: Mr Jean-Marie Cavada (ALDE) will take over from Ms Mady Delvaux (S&D).

⁵ Chair rotation: Mr Jiří MAŠTÁLKA (GUE) will take over from Mr Jean-Marie Cavada (ALDE).

2.4(ii) Guidance on the interpretation and implementation of the Code of Conduct

Throughout the year, the Advisory Committee and its Secretariat also carried on with their endeavours to assist Members in the correct interpretation and implementation of the Code of Conduct, while alleviating the administrative burden to the greatest extent possible.

In particular, the Advisory Committee provided guidance to a Member, in full confidence and within 30 calendar days, in accordance with Article 7(4) of the Code, thus continuing to further clarify the interpretation of the rules in force.

The Member in question consulted the Committee after being awarded a prize for his/her engagement in favour of European integration. On this occasion, the Advisory Committee established a distinction between the symbolic artefacts of the prize itself (e.g. a medal or a framed diploma) and the monetary gratification attached to it. The Committee stressed that there was no prohibition, under the Code of Conduct, on a Member to accept a courtesy gift as long as its value is under EUR 150, but that any financial support granted to a Member in connection with his/her political activities by third parties needed to be disclosed within 30 days via the submission of an amended declaration of financial interests, in accordance with Article 4(1) and Article 4(2)(g) of the Code of Conduct.

2.4(iii) Raising awareness on the Code of Conduct both inside and outside Parliament

The Advisory Committee improved the international dimension of its efforts to raise awareness on the Code of Conduct. In particular, the Advisory Committee invited to the European Parliament, on 14 April 2015, the newly appointed President of the French High Authority for Transparency in Public Life (*Haute Autorité pour la Transparence de la Vie Publique*), for an exchange of views and best practices with the Advisory Committee. The aim of such initiatives is to promote a sound and transparent model of governance.

Moreover, on 29 May 2015 members of the Secretariat were invited by the United Nations Development Programme (UNDP) to participate in a training seminar for the newly elected Members of the Tunisian National Assembly.

3 ACTIVITIES RELATED TO THE CODE OF CONDUCT

3.1 Monitoring procedure for Member's Declarations of financial interests

Article 9 of the Implementing Measures for the Code of Conduct provides for a monitoring procedure for Members' Declarations of financial interests: "Where there is reason to think that a declaration contains manifestly erroneous, flippant, illegible or incomprehensible information, the competent service shall, on behalf of the President, perform a general plausibility check for clarification purposes within a reasonable time-limit, thereby giving the Member the possibility to react. Where such

a check does not clarify and thus resolve the matter, the President shall take a decision on further proceedings in accordance with Article 8 of the Code of Conduct."

As the competent service designated to perform this general plausibility check on behalf of the President, the Members' Administration Unit in DG Presidency has systematically reviewed all the Declarations of financial interests submitted by Members, may they be new Declarations from incoming Members or amended versions of existing Declarations.

3.2 Submission of Member's Declarations of financial interests

As laid down in Article 4(1) of the Code of Conduct, Members are required to submit their Declarations of financial interests "within 30 days of taking up office with the Parliament in the course of a parliamentary term". In 2015, all the 20 incoming Members submitted their respective Declarations of financial interests within the time limits set for this purpose.

What is more, Article 4(1) foresees that Members "shall notify the President of any changes that have an influence on their Declaration within 30 days of each change occurring".

Throughout the year, 105 updated Declarations were submitted to the President by 88 Members⁶. Out of them, 11 Members updated their Declarations twice and 3 Members updated their Declarations thrice.

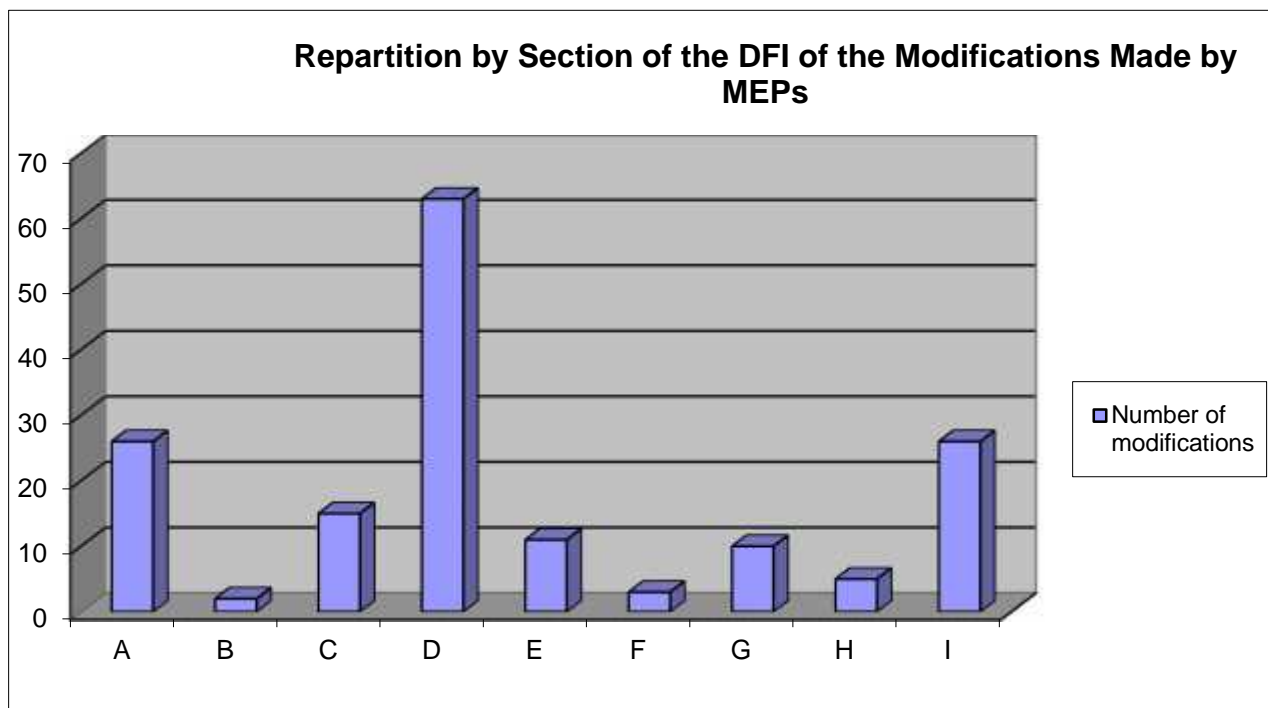
These updated Declarations included a total of 161 changes, i.e. in some cases more than one change was made in a single update.

On the substance, Sections (A), (D) and (I) were by far the most frequently amended Sections, with 26, 63 and 26 modifications respectively, which confirms the trend observed during the precedent exercises.

The graph below illustrates the distribution, Section by Section, of all the modifications made throughout the year⁷.

⁶ By its decision of 9 March 2015, the Bureau adopted a revised form for the Members' Declaration of financial interests, allowing Members to indicate explicitly whether activities mentioned under Section (A) and/or Section (D) are unremunerated. 37 Members have re-submitted a Declaration of financial interests, using the new form. These changes are not counted here, as they did not imply any substantial modification of the Declarations of the Members concerned.

⁷ 3 Members also submitted a Declaration which was strictly identical to the previous one; they are not represented in this graph.



Section (A): occupations during the three-year period before the Member took up office with the Parliament, and membership during that period of any boards or committees of companies, NGOs, associations or other bodies established in law.

Section (B): salary received for the exercise of a mandate in another parliament.

Section (C): regular remunerated activity undertaken alongside the exercise of the Member's office, whether as an employee or as a self-employed person.

Section (D): membership of any boards or committees of any companies, NGOs, associations or other bodies established in law, or any other relevant outside activity, whether remunerated or unremunerated.

Section (E): occasional remunerated outside activity (including writing, lecturing or the provision of expert advice), if the total remuneration exceeds EUR 5 000 in a calendar year.

Section (F): holding in any company or partnership, where there are potential public policy implications or where that holding gives the Member significant influence over the affairs of the body in question.

Section (G): any support whether financial or in terms of staff or material, additional to that provided by Parliament and granted to the Member in connection with his/her political activities by third parties, whose identity shall be disclosed.

Section (H): any other financial interests which might influence the performance of the Member's duties.

Section (I): Any additional information the Member wishes to give.

4 ADMINISTRATION

The Members' Administration Unit in the Directorate-General for the Presidency acts as Secretariat 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:

Advisory.Committee@europarl.europa.eu

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