



EUROPEAN PARLIAMENT

2009 - 2014

Plenary sitting

A7-0386/2011

21.11.2011

REPORT

on amendments to the Rules of Procedure relating to a Code of Conduct for Members of the European Parliament with respect to financial interests and conflicts of interest (2011/2174(REG))

Committee on Constitutional Affairs

Rapporteur: Carlo Casini

PR_REG

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PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION

PROPOSAL FOR A EUROPEAN PARLIAMENT DECISION on amendments to the Rules of Procedure relating to a Code of Conduct for Members of the European Parliament with respect to financial interests and conflicts of interest (2011/2174(REG))

The European Parliament,

- having regard to the letter from its President of 31 August 2011,
 - having regard to the recommendation from the Bureau Working Group on Codes of Conduct to the Members of the Conference of Presidents and the Bureau on the Code of Conduct for Members of the European Parliament, endorsed by the Bureau on 6 July 2011 and by the Conference of Presidents on 7 July 2011,
 - having regard to Protocol (No 7) on the Privileges and Immunities of the European Union,
 - having regard to Rules 211, 212 and 215 of its Rules of Procedure,
 - having regard to the report of the Committee on Constitutional Affairs (A7-0386/2011),
1. Decides to amend its Rules of Procedure as shown below;
 2. Instructs its Secretary-General to adapt Annex X of its Rules of Procedure accordingly, showing the correlation between the references to Annex I contained therein and the corresponding provisions of Annex I in its version resulting from this decision;
 3. Decides that these provisions come into force on 1 January 2012;
 4. Notes that, on account of the mid-term reconstitution of Parliament's bodies in accordance with the Rules of Procedure, the Advisory Committee provided for in Article 7 of the Code of Conduct set out in Annex I to the Rules of Procedure as a result of this decision cannot be established before the end of January 2012; decides, therefore, that Members will have 90 days following the entry into force of the Code of Conduct to submit the declaration of financial interests referred to in Article 4 of that Code, and that declarations submitted on the basis of the provisions of the Rules of Procedure in force on the date this decision is adopted will remain valid until the expiry of the aforementioned deadline; decides, furthermore, that the latter provisions will also apply to any Member who takes office during that period;
 5. Instructs its President to forward this decision to the Council, to the Commission and to the parliaments of the Member States, for information.

Amendment 1

Parliament's Rules of Procedure Rule 9 – paragraph 1 – subparagraph 1

Present text

1. Parliament shall lay down rules governing the transparency of its Members' financial interests, which shall be attached to these Rules of Procedure as an annex.

Amendment

1. Parliament shall lay down rules governing the transparency of its Members' financial interests ***in the form of a Code of Conduct*** which shall be ***adopted by a majority of its component Members, in accordance with Article 232 of the Treaty on the Functioning of the European Union, and*** attached to these Rules of Procedure as an annex.

Amendment 2

Parliament's Rules of Procedure Article 19

Present text

The Conference of Presidents may, acting by a majority of three-fifths of the votes cast, representing at least three political groups, propose to Parliament that it terminate the holding of office of the President, a Vice-President, a Quaestor, a Chair or Vice-Chair of a committee, a Chair or Vice-Chair of an interparliamentary delegation, or any other holder of an office elected within the Parliament, where it considers that the Member in question has been guilty of serious misconduct. ***Such a proposal shall be approved by*** Parliament by a majority of two-thirds of the votes cast, constituting a majority of its component Members.

Amendment

The Conference of Presidents may, acting by a majority of three-fifths of the votes cast, representing at least three political groups, propose to Parliament that it terminate the holding of office of the President, a Vice-President, a Quaestor, a Chair or Vice-Chair of a committee, a Chair or Vice-Chair of an interparliamentary delegation, or any other holder of an office elected within the Parliament, where it considers that the Member in question has been guilty of serious misconduct. Parliament ***shall take a decision on that proposal*** by a majority of two-thirds of the votes cast, constituting a majority of its component Members.

Where a rapporteur breaches the provisions of the Code of Conduct, annexed to the Rules of Procedure, for Members of the European Parliament with respect to financial interests and conflicts of interest, the committee which appointed him or her may, on the

initiative of the President and on a proposal by the Conference of Presidents, terminate the holding of that office. The majorities laid down in the first paragraph shall apply mutatis mutandis to each stage of this procedure.

Amendment 3

Parliament's Rules of Procedure Rule 32 – paragraph 2

Present text

2. Such groupings may not engage in any activities which might result in confusion with the official activities of Parliament or of its bodies. Provided that the conditions laid down in the rules governing their establishment adopted by the Bureau are met, political groups may facilitate their activities by providing them with logistical support. Such groupings shall declare any *external* support *in accordance with* Annex I.

Amendment

2. Such groupings may not engage in any activities which might result in confusion with the official activities of Parliament or of its bodies. Provided that the conditions laid down in the rules governing their establishment adopted by the Bureau are met, political groups may facilitate their activities by providing them with logistical support.

Such groupings shall *be required to* declare any support, *whether in cash or kind (e.g. secretarial assistance), which if offered to Members as individuals would have to be declared under* Annex I.

The Quaestors shall keep a register of the declarations referred to in the second subparagraph. The register shall be published on the Parliament's website. The Quaestors shall adopt detailed rules on these declarations.

Amendment 4

Parliament's Rules of Procedure Rule 153 – paragraph 3 – point d

Present text

d) submission to the Conference of

Amendment

d) submission to the Conference of

Presidents, in accordance with Rule 19, of a proposal for the Member's suspension or removal from one or more of the *elected* offices held by the Member in Parliament.

Presidents, in accordance with Rule 19, of a proposal for the Member's suspension or removal from one or more of the offices held by the Member in Parliament.

Amendment 5

Parliament's Rules of Procedure Annex I – title

Present text

Provisions governing the application of Rule 9(1) - Transparency and Members' financial interests

Amendment

Code of Conduct for Members of the European Parliament with respect to financial interests and conflicts of interest

Amendment 6

Parliament's Rules of Procedure Annex I – Articles 1 to 4

Present text

Article 1

1. Before speaking in Parliament or in one of its bodies or if proposed as rapporteur, any Member who has a direct financial interest in the subject under debate shall disclose this interest to the meeting orally.

2. Before Members may be validly nominated as office-holders of Parliament or one of its bodies, under Rule 13, 191 or 198(2), or participate in an official delegation, under Rule 68 or 198(2), they must have duly completed the declaration provided for in Article 2.

Article 2

The Quaestors shall keep a register in which all Members shall make a personal, detailed declaration of:

a) their professional activities and any other remunerated functions or activities,

Amendment

Deleted

b) any salary which the Member receives for the exercise of a mandate in another parliament,

c) any support, whether financial or in terms of staff or material, additional to that provided by Parliament and granted to them in connection with their political activities by third parties, whose identity shall be disclosed.

Members of Parliament shall refrain from accepting any gift or benefit in the performance of their duties.

The declarations in the register shall be made under the personal responsibility of the Member and must be updated as soon as changes occur, and a fresh declaration shall be submitted at least once a year. Members shall bear full responsibility for the transparency of their financial interests.

The Bureau may, from time to time, draw up a list of matters which it considers should be declared in the register.

If after the appropriate request Members do not fulfil their obligation to submit a declaration under (a) and (b), the President shall remind them once again to submit the declaration within two months. If the declaration has not been submitted within the time limit, the names of the Members concerned together with an indication of the infringement shall be published in the minutes of the first day of each part-session after expiry of the time-limit. If the Members concerned continue to refuse to submit the declaration after the infringement has been published the President shall take action in accordance with Rule 153 to suspend them.

Chairs of groupings of Members, both intergroups and other unofficial groupings of Members, shall be required to declare any support, whether in cash or kind (e.g. secretarial assistance), which if offered to Members as individuals would

have to be declared under this Article.

The Quaestors shall be responsible for keeping a register and drawing up detailed rules for the declaration of outside support by such groupings.

Article 3

The register shall be open to the public for inspection.

The register may be open to the public for inspection electronically.

Article 4

Members shall be subject to the obligations imposed on them by the legislation of the Member State in which they are elected as regards the declaration of assets.

Amendment 7

**Parliament's Rules of Procedure
Annex I (new) – Article 1 (new)**

Present text

Amendment

Article 1

Guiding principles

In exercising their duties, Members of the European Parliament shall:

a) be guided by and observe the following general principles of conduct: disinterest, integrity, openness, diligence, honesty, accountability and respect for Parliament's reputation,

b) act solely in the public interest and refrain from obtaining or seeking to obtain any direct or indirect financial benefit or other reward.

Amendment 8

Parliament's Rules of Procedure Annex I (new) – Article 2 (new)

Present text

Amendment

Article 2

Main duties of Members

In exercising their duties, Members of the European Parliament shall:

a) not enter into any agreement to act or vote in the interest of any other legal or natural that would compromise their freedom of vote, as enshrined in Article 6 of the Act of 20 September 1976 concerning the election of the representatives of the European Parliament by direct universal suffrage and Article 2 of the Statute for Members of the European Parliament,

b) not solicit, accept or receive any direct or indirect financial benefit or other reward in exchange for influencing, or voting on, legislation, motions for a resolution, written declarations or questions tabled in Parliament or any of its committees, and shall consciously seek to avoid any situation which might imply bribery.

Justification

Article 1 of the Working Party recommendation is split into two Articles in order to distinguish between principles and duties and their respective normative force.

Amendment 9

Parliament's Rules of Procedure Annex I (new) – Article 3 (new)

Present text

Amendment

Article 3

Conflicts of interest

1. A conflict of interest exists where a Member of the European Parliament has a personal interest that could improperly influence the performance of his or her duties as a Member. A conflict of interest does not exist where a Member benefits only as a member of the general public or of a broad class of persons.

2. Any Member who finds that he or she has a conflict of interest shall immediately take the necessary steps to address it, in accordance with the principles and provisions of this Code of Conduct. If the Member is unable to resolve the conflict of interest, he or she shall report this to the President in writing. In cases of ambiguity, the Member may seek advice in confidence from the Advisory Committee on the Conduct of Members, established under Article 7.

3. Without prejudice to paragraph 2, Members shall disclose, before speaking or voting in Plenary or in one of Parliament's bodies, or if proposed as a rapporteur, any actual or potential conflict of interest in relation to the matter under consideration, where such conflict is not evident from the information declared pursuant to Article 4. Such disclosure shall be made in writing or orally to the chair during the parliamentary proceedings in question.

Amendment 10

Parliament's Rules of Procedure Annex I (new) – Article 4 (new)

Present text

Amendment

Article 4

Declaration by Members

1. For reasons of transparency, Members of the European Parliament shall be personally responsible for submitting a

declaration of financial interests to the President 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 accordance with a form to be adopted by the Bureau pursuant to Article 9. They shall notify the President of any changes that have an influence on their declaration within 30 days of each change occurring.

2. The declaration of financial interests shall contain the following information, which shall be provided in a precise manner:

a) the Member's occupation(s) during the three-year period before he or she took up office with the Parliament, and his or her membership during that period of any boards or committees of companies, non-governmental organisations, associations or other bodies established in law,

b) any salary which the Member receives for the exercise of a mandate in another parliament,

c) any regular remunerated activity which the Member undertakes alongside the exercise of his or her office, whether as an employee or as a self-employed person,

d) membership of any boards or committees of any companies, non-governmental organisations, associations or other bodies established in law, or any other relevant outside activity that the Member undertakes, whether remunerated or unremunerated,

e) any 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,

f) any 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,

g) any support, whether financial or in terms of staff or material, additional to that provided by Parliament and granted to them in connection with their political activities by third parties, whose identity shall be disclosed,

h) any other financial interests which might influence the performance of the Member's duties.

Any regular income Members receive in respect of each item declared in accordance with the first subparagraph shall be placed in one of the following categories:

- EUR 500 to EUR 1 000 a month;*
 - EUR 1 001 to EUR 5 000 a month;*
 - EUR 5 001 to EUR 10 000 a month;*
- more than EUR 10 000 a month.*

Any other income Members receive in respect of each item declared in accordance with the first subparagraph shall be calculated on an annual basis, divided by twelve and placed in one of the categories set out in paragraph 2.

3. The information provided to the President in line with this Article shall be published on Parliament's website in an easily accessible manner.

4. Members may not be elected as office-holders of Parliament or one of its bodies, be appointed as a rapporteur or participate in an official delegation, if they have not submitted their declaration of financial interests.

Amendment 11

Parliament's Rules of Procedure Annex I (new) – Article 5 (new)

Article 5

Gifts or similar benefits

1. Members of the European Parliament shall refrain from accepting, in the performance of their duties, any gifts or similar benefits, other than those with an approximate value of less than EUR 150 given in accordance with courtesy usage or those given to them in accordance with courtesy usage when they are representing Parliament in an official capacity.

2. Any gifts presented to Members, in accordance with paragraph 1, when they are representing Parliament in an official capacity shall be handed over to the President and dealt with in accordance with implementing measures to be laid down by the Bureau pursuant to Article 9.

3. The provisions of paragraphs 1 and 2 shall not apply to the reimbursement of travel, accommodation and subsistence expenses of Members, or to the direct payment of such expenses by third parties, when Members attend, pursuant to an invitation and in the performance of their duties, at any events organised by third parties.

The scope of this paragraph, in particular the rules on transparency, shall be specified in the implementing measures to be laid down by the Bureau pursuant to Article 9.

Amendment 12

**Parliament's Rules of Procedure
Annex I (new) – Article 6 (new)**

Present text

Amendment

Article 6

Activities of former Members

Former Members of the European Parliament who engage in professional lobbying or representational activities directly linked to the European Union decision-making process may not, throughout the period in which they engage in those activities, benefit from the facilities granted to former Members under the rules laid down by the Bureau to that effect¹.

1 Bureau Decision of 12 April 1999.

Amendment 13

**Parliament's Rules of Procedure
Annex I (new) – Article 7 (new)**

Present text

Amendment

Article 7

Advisory Committee on the Conduct of Members

1. An Advisory Committee on the Conduct of Members ('the Advisory Committee') is hereby established.

2. The Advisory Committee shall be 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.

Each Member of the Advisory Committee shall serve as chair for six months on a

rotating basis.

3. The President shall also, at the beginning of his or her term of office, nominate reserve Members for the Advisory Committee, one for each group not represented in the Advisory Committee.

In the event of an alleged breach of this Code of Conduct by a Member of a political group not represented in the Advisory Committee, the relevant reserve Member shall serve as a 6th full Member of the Advisory Committee for the alleged breach under consideration.

4. Upon request by a Member, the Advisory Committee shall give him or her, in confidence and within 30 calendar days, guidance on the interpretation and implementation of the provisions of this Code of Conduct. The Member in question shall be entitled to rely on such guidance.

At the request of the President, the Advisory Committee shall also assess alleged cases of breach of this Code of Conduct and advise the President on possible action to be taken.

5. The Advisory Committee may, after consulting the President, seek advice from outside experts.

6. The Advisory Committee shall publish an annual report of its work.

Amendment 14

Parliament's Rules of Procedure Annex I (new) – Article 8 (new)

Present text

Amendment

Article 8

*Procedure in the event of possible
breaches of the Code of Conduct*

1. Where there is reason to think that a Member of the European Parliament may have breached this Code of Conduct, the President may refer the matter to the Advisory Committee.

2. The Advisory Committee shall examine the circumstances of the alleged breach, and may hear the Member concerned. On the basis of the conclusions of its findings, it shall make a recommendation to the President on a possible decision.

3. If, taking into account this recommendation, the President concludes that the Member concerned has breached the Code of Conduct, he or she shall, after hearing the Member, adopt a reasoned decision laying down a penalty, which he or she shall notify to the Member.

The penalty may consist of one or more of the measures listed in Article 153(3) of the Rules of Procedure.

4. The internal appeal procedures defined in Rule 154 of the Rules of Procedure shall be open to the Member concerned.

5. After the expiry of the time-limits laid down in Rule 154 of the Rules of the Procedure, any penalty imposed on a Member shall be announced by the President in plenary and prominently published on Parliament's website for the remainder of the parliamentary term.

Amendment 15

Parliament's Rules of Procedure Annex I (new) – Article 9 (new)

Present text

Amendment

Article 9

Implementation

The Bureau shall lay down implementing measures for this Code of Conduct, including a monitoring procedure, and

*shall update the amounts referred to in
Articles 4 and 5, when necessary.*

*It may bring forward proposals to revise
this Code of Conduct.*

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	17.11.2011
Result of final vote	+: 24 -: 0 0: 1
Members present for the final vote	Andrew Henry William Brons, Carlo Casini, Andrew Duff, Ashley Fox, Giuseppe Gargani, Roberto Gualtieri, Enrique Guerrero Salom, Zita Gurmai, Gerald Häfner, Daniel Hannan, Stanimir Ilchev, Constance Le Grip, David Martin, Paulo Rangel, Algirdas Saudargas, György Schöpflin, Søren Bo Søndergaard, Indrek Tarand, Rafał Trzaskowski
Substitute(s) present for the final vote	John Stuart Agnew, Elmar Brok, Marietta Giannakou, Vital Moreira, Evelyn Regner, Alexandra Thein