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DRAFT 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

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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 Rules 211, 212 and 215 of its Rules of Procedure,
 - having regard to the report of the Committee on Constitutional Affairs (A7-0000/2011),
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. Points out that the amendments will enter into force on the first day of the next part-session;
 4. 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

Amendment 2

Parliament's Rules of Procedure Rule 19 – interpretation (new)

Present text

Amendment

The term ‘any other holder of an office elected within the Parliament’ shall include the holder of the office of rapporteur for a parliamentary committee¹.

¹ *This interpretation shall also apply to Rule 153(3)(d).*

Justification

This interpretation aims to clarify the scope of the possible penalties listed in Rule 153, this being the Rule referred to in paragraph 3, sub-paragraph 2 of Amendment 13 below.

Amendment 3

Parliament's Rules of Procedure Rule 32 – paragraph 2

Present text

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 declare any *external* support *in accordance with*

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.

Annex I.

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 subparagraph 2 above. They shall adopt detailed rules on these declarations.

Or. fr

(This amendment partly incorporates the substance of subparagraph 6 and the whole of subparagraph 7 of the current Article 2 of Annex 1 to the Rules of Procedure)

Amendment 4

Parliament's Rules of Procedure Annex I – Title

Present text

Amendment

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

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

Or. fr

Amendment 5

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

Present text

Amendment

Article 1

deleted

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,***
- 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.

Or. fr

(Under Amendment 9, Article 2, subparagraph 1, point b) of Annex I is incorporated in Article 4, paragraph 2, point b) of this Annex. Under Amendment 3, Article 2, subparagraphs 6 and 7 of Annex I are partly incorporated as an addition to Rule 32(2) of the Rules of Procedure.)

Amendment 6

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

Present text

Amendment

Article 1

Guiding principles

In the performance of their duties as a Member of the European Parliament, Members:

(a) are guided by and observe the following general principles of conduct: selflessness, 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.

Or. fr

(Text of Article 1 of 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' (FdR DV/872358 – PE 463.760/GT) excluding points c) and d) which are moved to a new Article 2 – see following amendment)

Amendment 7

**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 person 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.

Or. fr

(New Article 2 adding a new title and new introductory sentence followed by points c) and d) of Article 1 of 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' (FdR DV/872358 – PE 463.760/GT))

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 8

**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 has a personal interest that could improperly influence the performance of his or her duties as a Member of the European Parliament. 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 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.

Or. fr

(With two Articles having being formed from splitting Article 1 of 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' (FdR DV/872358 – PE 463.760/GT), this text corresponds to Article 2 of that recommendation, with corresponding changes made to the numbers of the Articles referred to at the end of paragraph 2 and in paragraph 3)

Amendment 9

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

Present text

Amendment

Article 4

Declaration to be made by Members of the European Parliament

1. For reasons of transparency, Members 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 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:

- 1. EUR 500 to EUR 1000 a month;*
- 2. EUR 1001 to EUR 5000 a month;*
- 3. EUR 5001 to EUR 10 000 a month;*
- 4. 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 above categories.

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, appointed as rapporteur, or participate in an official delegation, if they have not submitted their declaration of financial interests.

Or. fr

(With two Articles having being formed from splitting Article 1 of 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' (FdR DV/872358 – PE 463.760/GT), this text corresponds to Article 3 of that recommendation, with an addition to paragraph 1 and the inclusion of a new point b) in paragraph 2 which incorporates the whole of the text of point b) of Article 2 of the current

Amendment 10

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

Present text

Amendment

Article 5

Gifts or similar benefits

1. Members shall refrain from accepting any gifts or similar benefits in the performance of their duties, except those with an obvious 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 or similar benefits given to Members, pursuant to 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 pursuant to Article 9.

Or. fr

(With two Articles having being formed from splitting Article 1 of 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' (FdR DV/872358 – PE 463.760/GT), this text corresponds to Article 4 of that recommendation, with a corresponding change made to the number of the Article referred to at the end of paragraph 2)

Amendment 11

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

Present text

Amendment

Article 6

Activities of former Members

Former Members who engage in professional lobbying or representational activities directly linked to the European Union decision-making process may not 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.***

Or. fr

(With two Articles having being formed from splitting Article 1 of 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' (FdR DV/872358 – PE 463.760/GT), this text corresponds to Article 5 of that recommendation)

Amendment 12

**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. The Advisory Committee shall give guidance to Members for the interpretation and implementation of the provisions of this Code of Conduct.

On 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.

Or. fr

(With two Articles having being formed from splitting Article 1 of 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' (FdR DV/872358 – PE 463.760/GT), this text corresponds to Article 6 of that recommendation)

Amendment 13

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 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 on the basis of the conclusions of its findings, make a recommendation to the President on a possible decision.

3. If, taking into account the advice of the Advisory Committee, 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. Any penalty imposed on a Member after the expiry of the time-limits laid down in Rule 154 of the Rules of Procedure shall be announced by the President in plenary and published on Parliament's website for the remainder of the parliamentary term.

Or. fr

(With two Articles having being formed from splitting Article 1 of 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' (FdR DV/872358 – PE 463.760/GT), this text corresponds to Article 7 of that recommendation. It also includes the rapporteur's changes to this recommendation with the aim of avoiding the repetition of provisions that already appear in the body of the Rules of Procedure by making reference to these)

Amendment 14

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

Present text

Amendment

Article 9

Implementation

The Bureau shall lay down Implementing Measures to 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.

Or. fr

(With two Articles having being formed from splitting Article 1 of 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' (FdR DV/872358 – PE 463.760/GT), this text corresponds to Article 8 of that recommendation, with corresponding changes to the numbers of the Articles referred to at the end of paragraph 1. It also gives the Bureau an additional power to bring forward proposals to revise the Code of Conduct)