



2019/2950(RSP)

27.11.2019

DRAFT MOTION FOR A RESOLUTION

further to Question for Oral Answer B9-0000/2019

pursuant to Rule 136(5) of the Rules of Procedure

on Institutions and bodies in the Economic and Monetary Union : Preventing
post-public employment conflicts of interest
(2019/2950(RSP))

Irene Tinagli

on behalf of the Committee on Economic and Monetary Affairs

European Parliament resolution on Institutions and bodies in the Economic and Monetary Union : Preventing post-public employment conflicts of interest (2019/2950(RSP))

The European Parliament,

- having regard to Article 298 TFEU,
- having regard to Regulation No 31 (EEC), 11 (EAEC), laying down the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Economic Community and the European Atomic Energy Community (EU Staff Regulation) and in particular to Articles 11a, 12, 16 and 17 thereof¹,
- having regard to its resolution of 10 May 2011 on the 2009 discharge: performance, financial management and control of EU agencies (2010/2271(DEC))²,
- having regard to European Court of Auditor`s Special Report No 15/2012: Management of conflict of interest in selected EU Agencies³,
- having regard to the press statement by the European Banking Authority (EBA) of 17 September 2019 on the announcement of Adam Farkas` resignation from his post as Executive Director of the European Banking Authority (EBA), which will be effective on 31 January 2020⁴,
- having regard to the question for oral answer to the Commission on the Appointment of EBA Executive Director Farkas as Association of Financial Markets (AFME) Chief Executive and to the replies given by the Commission on 24 October 2019⁵,
- having regard to the replies given by the Chairperson of the European Banking Authority (EBA) on 4 November 2019 in a hearing held by ECON,
- having regard to the OECD Report on “Post-Public Employment Good Practices for Preventing Conflict of Interest” of 23 August 2010⁶,
- having regard to the Transparency International Working Paper 06/2010 ‘Regulating the Revolving Door’⁷,
- having regard to the Draft recommendations of the European Ombudsman in the inquiry into complaint 775/2010/ANA against the European Food Safety Authority (EFSA)⁸,
- having regard to the Letter from the Ombudsman to the Director of the European

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A01962R0031-20140501>.

² [P7_TA\(2011\)0163](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A01962R0031-20140501).

³ [ECA Special Report No 15/2012](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A01962R0031-20140501).

⁴ <https://eba.europa.eu/adam-farkas-steps-down-as-eba-executive-director>.

⁵ [2019/2888\(RSP\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A01962R0031-20140501).

⁶ https://read.oecd-ilibrary.org/governance/post-public-employment_9789264056701-en#page7.

⁷ https://www.transparency.org/whatwedo/publication/working_paper_06_2010_regulating_the_revolving_door.

⁸ <https://www.ombudsman.europa.eu/en/recommendation/en/11089>.

- Chemicals Agency on the implementation of Article 16 of the EU Staff Regulations⁹,
- having regard to the Report of the European Ombudsman on the publication of information on former senior staff so as to enforce the one-year lobbying and advocacy ban: SI/2/2017/N¹⁰,
 - having regard to its resolution of 12 February 2019 on a draft regulation of the European Parliament laying down the regulations and general conditions governing the performance of the Ombudsman’s duties (Statute of the European Ombudsman) and repealing Decision 94/262/ECSC, EC, Euratom (2018/2080(INL))¹¹,
 - having regard to the political guidelines for the next European Commission 2019-2024¹²,
 - having regard to the question to the Commission on Institutions and bodies in the Economic and Monetary Union: Preventing post-public employment conflicts of interest (O-000000/2019 – B9-0000/2019),
 - having regard to Rules 136(5) and 132(2) of its Rules of Procedure,
 - having regard to the motion for a resolution of the Committee on Economic and Monetary Affairs,
- A. whereas paragraph 1 of Article 298 TFEU stipulates that *‘In carrying out their missions, the institutions, bodies, offices and agencies of the Union shall have the support of an open, efficient and independent European administration.’*;
- B. whereas paragraph 1 of Article 68 of Regulation (EU) No 1093/2010 stipulates that the Staff Regulations, the Conditions of Employment of Other Servants and the rules adopted jointly by the Union institutions for the purpose of applying them shall apply to the staff of the Authority, including its Executive Director and its Chairperson;
- C. whereas in particular Articles 16 and 17 of the EU Staff Regulations set out the principles for staff leaving the authorities including provisions on the prevention of conflict of interest;
- D. whereas the Executive Director of the European Banking Authority (EBA) has accepted his appointment as chief Executive of AFME as from 1 February 2020 and has announced his resignation from his post as Executive Director of the EBA, which will become effective on 31 January 2020;
- E. whereas the EBA Board of Supervisors has taken a decision imposing restrictions on its Executive Director in order to address the conflict of interest arising from him accepting his new position at AFME; whereas these restrictions address activities while in service at the EBA and after leaving the EBA;
- F. whereas in a hearing to the European Parliament the EBA Chair underlined the

⁹ <https://www.ombudsman.europa.eu/en/correspondence/en/80697>.

¹⁰ <https://www.ombudsman.europa.eu/en/correspondence/en/110521>.

¹¹ https://www.europarl.europa.eu/doceo/document/TA-8-2019-0080_EN.html.

¹² https://ec.europa.eu/commission/sites/beta-political/files/political-guidelines-next-commission_en.pdf.

- difficulty in enforcing restrictions on such post-public employment activities;
- G. whereas senior executives leaving supervisory authorities, currently do not receive a temporary allowance;
- H. whereas post-public employment and 'revolving door' conflict of interest situations are recurring issues and have been assessed and analysed by international and EU bodies, in particular by the EU Ombudsman and the European Court of Auditors;
- I. whereas such cases of revolving doors provide interest groups the opportunity to reward regulators for past behaviour, thereby opening the door to harmful incentives;
1. Underlines the importance of an open, efficient and independent European administration for the whole Union including for institutions, bodies and agencies in the Economic and Monetary Union (EMU);
 2. Is concerned about the conflict of interest that has arisen as a consequence of the appointment of the EBA Executive Director as AFME Chief Executive from 1 February 2020; notes that this post-public employment might constitute not only a risk to the reputation and independence of EBA but to all Union institutions;
 3. Calls for an effective application of the EU Staff Regulations, in particular of Article 16, in order to prevent conflicts of interest;
 4. Fears it is often not possible to enforce conditions placed upon post-public employment activities; therefore encourages EU institutions and agencies to consider the full range of tools made available by Article 16 of the EU Staff Regulations;
 5. Stresses that post-public employment and 'revolving door' conflict of interest situations are a common problem of all institutions, bodies, offices and agencies across the Union and its Member States; underlines therefore the need for a unified legal framework to efficiently address these issues;
 6. Notes the work done on international level (OECD) to ensure a harmonised framework for post-public employment situations; notes on European level the work in this regard by the European Court of Auditors and the EU Ombudsman; notes that a timely implementations of these recommendations could prevent similar issues in the future;
 7. Calls on the European Court of Auditors to undertake a comprehensive analysis of the approach of bodies and agencies in the EMU regarding the management of situations where there are potential conflicts of interest;
 8. Calls on the Commission to assess the current practice on post-public employment at European and national level;
 9. Recalls the commitment of the Commission given in the plenary debate of 24 October 2019 to review the post-employment legal framework; calls on the Commission to put in place a harmonised legal framework for the prevention of post-public employment conflict of interest situations in order to ensure high ethical standards; stresses the need to align EU practice with international standards; underlines that the same standards should be applied at Union and national level;

10. Calls on the Commission to define in this review of the post-public employment framework specific risk areas which might require strengthening, including expanding the opportunity to block professional moves and to consider possible lengthening of cooling-off periods of senior officials proportionate to the specific case to ensure equal treatment in line with Article 15 of the Charter of Fundamental Rights of the European Union;
11. Points out that in case a stricter application of cooling-off periods for senior officials was considered, granting adequate compensation for the duration of the cooling-off period to the senior officials leaving the agency would have to be looked at as well; underlines that such temporary allowances should end if a new employment is taken up during the cooling-off period;
12. Calls on the Commission to assess, whether it is appropriate that the concerned EU agencies decide for themselves on the enforcement of the rules for the prevention of conflicts of interest, and whether the independent ethics body envisaged by President-elect of the European Commission Ursula von der Leyen could function as body of appeal in that regard;
13. Instructs its President to forward this resolution to the Council, the Commission, the European Court of Auditors and the European Ombudsman.