New Code of Conduct strengthening ethical rules for Members of the European Commission enters into force

Today, the European Commission formally adopted the <u>new Code of Conduct</u> for Members of the European Commission that President Juncker had announced in his State of the Union Address. Following consultation of the European Parliament, the new Code takes effect as of today, continuing President Juncker's push for greater transparency since the beginning of his mandate.

The modernised rules set new standards for ethical rules in Europe. Beyond the President's earlier <u>proposal</u> to extend the "cooling-off" period from currently 18 months to two years for former Commissioners and to three years for the President of the Commission, the new Code of Conduct sets clearer rules and higher ethical standards and introduces greater transparency in a number of areas. It also creates an Independent Ethical Committee with reinforced status — replacing the current Ad hoc Ethical Committee — to strengthen scrutiny and to provide advice on ethical standards.

The new Code of Conduct for Members of the Commission features, in particular, the following improvements:

- Post-office activities: The new Code of Conduct extends the "cooling-off" period from currently 18 months to two years for former Commissioners and to three years for the President of the Commission. During the cooling-off period, former Members of the Commission need to inform the Commission before taking up a new job and will also be subject to restrictions in certain activities, such as lobbying members or staff of the Commission.
- Preventing conflicts of interest: The new Code of Conduct defines, for the first time, what a "conflict of interest" is and sets as a principle not only that Commissioners avoid situations of conflict of interest, but also situations that might be seen this way. In case former Commissioners intend to work in areas which are related to their former portfolios, the Independent Ethical Committee needs to be consulted first. As of now, both the Commission's decisions and the Committee's opinions related to such decisions will be made public.
- Financial interests: Stricter rules will also apply to the financial interests of Commissioners. They will have to declare investments above €10,000 irrespective of whether there could be a conflict of interest. In case of a conflict of interest due to a Commissioner's particular asset, the President will be able to request its divestiture or placement in a blind trust. Commissioners should update their declarations at the beginning of each year, as it is already the case today.
- Transparency and accountability: Commissioners are the best ambassadors of the European Union across the Member States and around the world which is why

President Juncker encourages them to continue travelling. They must do so in the most cost-effective manner. Information about each Commissioner's travel expenses will be published every two months. The first such publication is scheduled for the end of February 2018.

- Enforcing the rules: In the application of the Code, the College will be assisted by a new reinforced Independent Ethical Committee, which will be able to give advice on all ethical issues and make recommendations related to the Code. In case of a breach of the Code which does not justify taking the matter to the Court of Justice, the Commission can express a reprimand and make it public. This is a novelty recently used by the Juncker Commission and which will now be enshrined in the new rules.
- Allowing Commissioners to be candidates to European Parliament elections without having to take a leave of absence: While also being part of the revamped Code of Conduct, President Juncker's proposal from November 2016 will become applicable as soon as the European Parliament agrees to the updated Framework Agreement between the European Parliament and the Commission. A vote in the European Parliament is scheduled for 7 February.

Next Steps:

The new Code of Conduct enters into force today and is applicable to all current Members of the Juncker Commission. On 7 February, the European Parliament is expected to agree to the new provisions allowing Commissioners to participate in European Parliament elections without having to take a leave of absence. At the end of February 2018, the Commission will, for the first time, publish details of all Commissioners' mission expenses.

Finally, in the spirit of transparency and accountability, the Commission will publish annual reports on the application of the Code.

For more information:

- Code of Conduct for Commissioners of 2018
- Text of <u>Article 245</u>
- Code of Conduct for Commissioners of 2011
- Link to press release on the Letter by President Juncker to President Schulz on both cooling-off and EP election campaigns
- State of the Union 2017 of 13 September 2017