



ALTER-EU verdict on the new Code of Conduct for MEPs - Significant steps forward to improve transparency but further measures needed to avoid conflicts of interest

7 July 2011 - ALTER-EU believes that the code of conduct for MEPs that was approved by the Conference of Presidents today is an important step forward to avoid ethics scandals involving MEPs [1]. A ban on lobby side jobs and an obligation to report on external income will improve transparency and reduce conflicts of interest. Further measures to ensure proper implementation of the code and introduce stronger sanctions and a cooling-off period are now necessary, as detailed in the ALTER-EU scorecard on the draft Code of Conduct for MEPs. ALTER-EU urges the Parliament to vote to accept the code at the earliest opportunity.

The cash-for-influence scandal exposed the willingness of a number of MEPs to accept lucrative paid jobs in return for using their influence within the Parliament to further the interests of their new paymasters. Rightly, the Parliament President Jerzy Buzek responded by setting up a working group to develop a code of conduct which has been meeting regularly ever since.

On the publication of the finalised code, ALTER-EU spokesman Paul de Clerck says: "The code of conduct for MEPs is an important step forward, although more work will be needed in the future to tighten the rules further. We call on the whole Parliament to accept the new when it is subjected to vote in plenary. On the plus side, it is really positive to see a ban on MEPs acting as lobbyists, a ban on MEPs receiving high-value gifts, and the introduction of more detailed financial interest declarations. On the negative side, there is no cooling-off period for MEPs, allowing them to become lobbyists as soon as they leave elected office, nor will there be independent experts on the oversight committee. We also think that MEPs should be banned from accepting all second paid jobs where there is a conflict of interest with their work as an MEP".

Paul de Clerck continued: "The Parliamentary authorities now need to ensure that sufficient resources are dedicated to policing and enforcing the code. The code gives space to the Parliament's President and the new advisory committee to examine specific cases of conflict of interest and ALTER-EU urges these authorities to be ready to carry out robust investigations into all serious allegations of breaches of the code. At the end of this term, the European Parliament must be associated with ethics and transparency – rather than scandal".

ALTER-EU considers that it is necessary to amend the Members' statute to take account of the new code in the Autumn. The Parliament should use that opportunity to introduce a cooling-off period for ex-MEPs, a wider ban on MEPs accepting second jobs which provoke conflicts of interest, and tougher sanctions.

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Notes:

[1] <http://www.europarl.europa.eu/de/pressroom/content/20110707IPR23576/html/Parliament-group-leaders-endorse-new-Code-of-Conduct-for-MEPs>

Key to the scorecard

Good progress made	
Improvement, but still work to do	
No progress made	

ALTER-EU demand ¹	What the new code says	ALTER-EU verdict	Score
A ban on MEPs holding lobby or representation paid second jobs	Draft code bans MEPs from receiving direct or indirect financial gain for “influencing or voting on legislation” (article 1)	The Code introduces a ban on MEP second jobs that involve lobbying but does not directly cover all second jobs that might raise conflicts of interest, such as sitting on the advisory board of a company interested in policy-making at the EU level, or acting as a lawyer for corporate clients. The advisory committee will need to be very vigilant in enforcing the rules around conflicts of interest, and should tighten them at the earliest opportunity.	
Curbing gifts and hospitality worth over 50 euros	Bans MEPs from accepting gifts or similar benefits worth more than 150 euros (article 4).	The introduction of a clear threshold for gifts and similar benefits is an important step forward.	
Improving the financial interests register	MEPs must publish more detailed information on outside income, including sums received (in income brackets) and they must report on relevant shareholdings, all of which will be “published on Parliament’s website in an easily accessible manner” (article 3).	It is an important step forward that MEPs will need to declare more information about their financial interests. Thorough implementation will now be essential to avoid confusion on the details. ALTER-EU still believes all MEPs should declare precise sums of all extra income as well as the source and the purpose for which it was given. The new declarations must be uploaded into an easy-to-search	

¹ <http://www.alter-eu.org/documents/2011/04/11/alter-eu-demands-ethics-and-transparency-reforms>

		database in a common language.	
An 18 month cooling-off period for former MEPs entering Brussels lobby jobs ²	No cooling off period is mentioned.	A cooling-off period is very important as it prevents MEPs from using their influence to set-up future careers. This should be introduced at the earliest opportunity.	
Former MEPs' access to the EP premises	Automatic Parliament passes will be removed from ex-MEPs who are now Brussels lobbyists (article 5).	Former MEPs who act as lobbyists will have to comply with the same rules as all other lobbyists.	
Independent ethics committee with enforcement powers must be established	"The advisory committee may, after consulting the President, seek advice from outside experts" (article 6).	An advisory committee will deal with concrete allegations of a conflict of interest. Nevertheless, the draft code does not specify that independent experts should be part of the advisory committee. It only allows for the possibility to consult independent experts.	
Effective transparency rules for all cross-party groups ³	Not addressed	Parliamentary authorities now need to urgently regulate all cross-party groups, requiring them to register their members and funding sources (currently only official inter-groups are regulated).	
Effective sanctions need to be in place	Possibilities include a reprimand, a suspension of the daily subsistence allowance or from participation in some or all EP activities for two to ten days, proposal to deprive a Member of a rapporteurship or suspension or removal from one or more of the elected MEP offices (article 7).	It is encouraging to see that some practical sanctions have been included in the Code, especially the option to deprive an MEP of rapporteurship. But they need to go much further. The current proposal for Members' suspension for two to ten days is not enough to effectively prevent unethical behaviour. An update of the statutes of the EP must allow for stronger sanctions.	
Enforcement	The Code refers to "a monitoring procedure" but does not give details on the enforcement mechanism of the rules.	The advisory committee will need to be vigilant to guarantee proper enforcement of the Code. The advisory committee will also need to be well-resourced to carry out effective monitoring and investigations. There should be a complaint mechanism that is open to the public.	

² <http://www.corporateurope.org/news/2011/06/06/call-curbs-meps-revolving-door>

³ <http://www.corporateurope.org/lobbycracy/content/2011/05/lobbying-under-radar>