Special issue of The AFCO Newsletter

Committee on Budgetary Control
Committee on Legal Affairs
Committee on Civil Liberties, Justice and Home Affairs
Committee on Constitutional Affairs

Joint Hearing on "Towards a high degree of accountability, transparency and integrity in the EU Institutions"

Introductory words by Danuta Maria HÜBNER

Dear Readers,

I am happy to present to you this special issue of the AFCO Newsletter, a tool prepared by the secretariat which aims to inform about AFCO activities and increase awareness on institutional challenges that the EU is facing. At our joint hearing on 26 March, we'll discuss the issue of accountability, transparency and integrity in the EU Institutions. The need to have the highest degree of accountability, transparency and integrity in the EU institutions is crucial for ensuring public trust in our activities. Our Citizens are asking to be more aware and involved on "how, why, when and where" the EU decisions are taken.

I hope you will find this special issue useful.

The highlights of the joint hearing on 26th March will be:

- The presentation of the key conclusions of the Transparency International Report

- The issue regarding the revised Code of Conduct for Commissioners and an Ethical Code for the European Council

- The promotion of the highest standards of integrity within the EU institutions

- The prevention of corruption in the EU and the possible accession of the EU to the GRECO.

Danuta Maria HÜBNER, Chair

Meeting languages available

BG, CS, DA, DE, EN, EL, ES, ET, FI, FR, HR, HU, IT, LV, LT, MT, NL, PL, PT, RO, SK, SL, SV (23 languages)

Meeting documents:

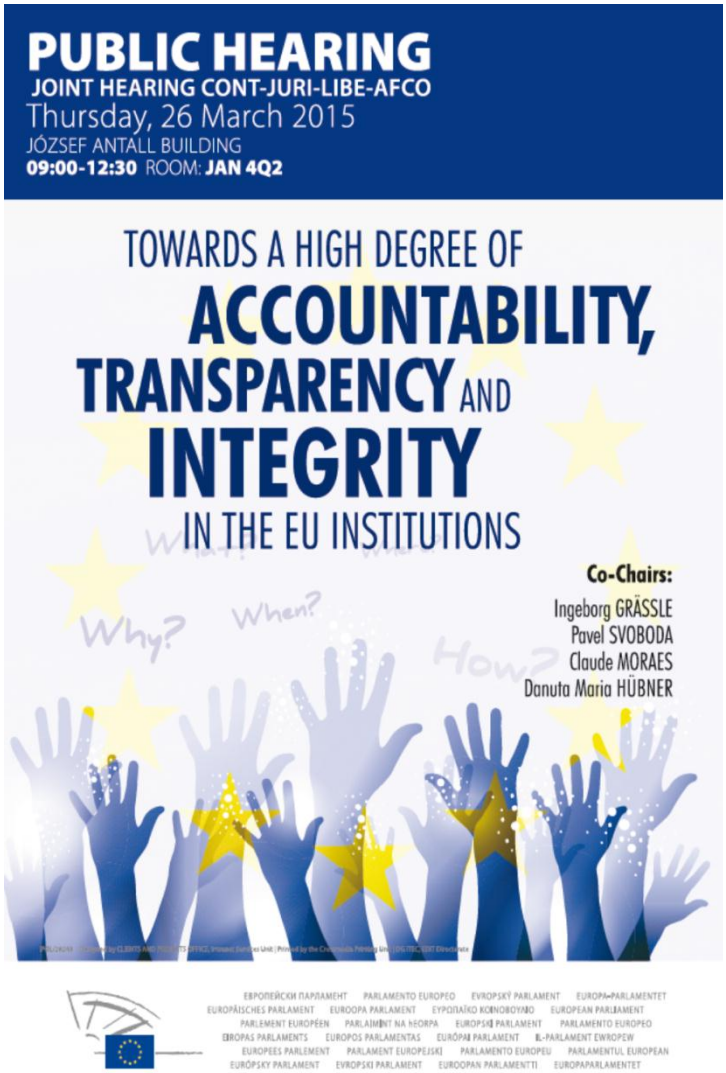
In light of the European Parliament's paperless project please bear in mind that only a very limited number of paper dossiers will be available in the meeting room.

Instead, meeting documents will be made available on the following public and internal websites:
http://www.europarl.europa.eu/meetdocs/2014_2019/organes/afco/afco_8leg_meetinglist.htm
and (EP internal only):
http://www.emeeting.ep.parl.union.eu/committee/

Please take into consideration that this joint hearing will be webstreamed under the following link:
http://www.europarl.europa.eu/wps-europarl-internet/frd/live/live-program?language=en

The videos will be available to watch or download within 24 hours at:
http://www.europarl.europa.eu/ep-live/en/committees/?legislature=8&start-date=&end-date=&committee=AFCO

Please be aware that each time a speaker activates the microphone to make an intervention the camera will be automatically directed to the speaker.



MEETING DATE, TIME AND VENUE

26.03.2015, 9.00 - 12.30 in Brussels, József Antall (4Q2)

POINTS OF THE PROGRAMME OF JOINT HEARING

09.00 -09.10: Opening remarks and introduction by Chairs

09.10 -09.25: I. The European Union Integrity System

09.25 -09.40: Questions, replies, debate

09.40-10.20: II. The revised Code of Conduct for Commissioners and An Ethical code for the European Council?

10.20 -10.35: Questions, replies, debate

10.35 -11.15: III. The Promotion of highest standards of integrity within the EU institutions
11.15 - 11.30: Questions, replies, debate

11.30 - 12.00: IV. Prevention of corruption in the EU and possible accession of the EU to the GRECO (Council of Europe)

12.00 -12.15: Questions, replies, debate

12.15 -12.30: Closing remarks by Chairs

Adoption of agenda

Chair's announcements

Joint Hearing with CONT, JURI, AFCO, and LIBE on "Towards a high degree of accountability, transparency and integrity in the EU Institutions"

CO-Chairs:

- **Ingeborg Gräßle (PPE) - CONT**
- **Pavel Svoboda (PPE) - JURI**
- **Danuta Maria Hübner (PPE) - AFCO**
- **Claude Moraes (S&D) - LIBE**

Any other business

I. The European Union Integrity System

Presentation of the key conclusions of the Transparency International Report

Introduction by **Ms Ingeborg Gräßle** - Chair of the Committee on Budgetary Control

Speakers: Mr Carl Dolan, Director of the Transparency International EU liaison office and Mr Daniel Freund.

The "EU Integrity System" report by the Transparency International EU Office is *"the first ever comprehensive review"* of corruption and integrity risks in the EU institutions and how their policies are supporting measures against corruption in Europe. This study is a result of a research conducted by the Transparency International EU Office over a nine-month period in 2013 and 2014. The report highlights key strengths and weaknesses of each institution and proposes recommendations for policy and legislative reform. Providing a solid basis for future efforts, this study supports measures undertaken in the fight against potential corruption in the institutions and across the European Union as a whole.

II. The revised Code of Conduct for Commissioners

Further improvements to become an efficient instrument to reinforce the overall level of transparency and citizens' trust

Introduction by **Mr Pavel Svoboda** - Chair of the Committee on Legal Affairs

Speakers: European Commission Vice-President Ms Kristalina Georgieva, and Mr Roland Blomeyer, Consultant

Mr Blomeyer proposes a reform of the Code of Conduct for Commissioners. The proposed reform of the Code of Conduct takes into account two studies of the EP carried out in 2009 and 2014. The abstract of the 2014 study reads: "This update relates to a European Parliament study on the Code of Conduct for Members of the European Commission (2009). The update compares the 2004 Code of Conduct with the new Code adopted in 2011. The new Code has failed to address most of the European Parliament's 28 recommendations for improvement. Overall, the Code is characterised by its poor checks and balances, the absence of a coherent implementation system, and opacity surrounding its operation.

Whilst other ethics systems contribute to enhance public trust in government, the Commission's system appears tilted towards the Commissioners' political and career interests. The update recommends a comprehensive review of the Commissioners' ethics system with a focus on coherent implementation systems with genuine checks and balances. The Commission should establish a working group on this, involving the European Parliament and relevant civil society actors, and inviting experts knowledgeable about other ethics systems."

An Ethical code for the European Council?

Furthermore, Mr Roland Blomeyer will discuss the experience and achievements of the Code of Conduct for Members of the European Commission, the current situation, the effects on integrity and transparency as well as the distance to the best practice. Furthermore, he will present the possible ways of improving transparency and introducing the highest professional and ethical standards in the Commission's conduct. These will

be as follows: post-EC employment limits to be applied without regard to the Commissioner's portfolio, an independent oversight structure, open data - all data on the application of the Code on the Transparency portal, a working group with European Parliament and Member State experts.

III - The Promotion of the highest standards of integrity within the EU institutions

Ethical questions regarding lobbying practices and the transparency register

Introduction by **Ms Maria Danuta Hübner** - Chair of the Committee on Constitutional Affairs

"Europe's crisis, as showed also by the last European Elections in June 2014, is also a crisis of confidence: confidence of citizens' in the Eurozone, in the institutional policy-making and in European integration itself. Article 11 of the TEU, which is in fact the present Treaty legal basis establishing the voluntary EU Transparency Register, states clearly that the Institutions shall provide citizens and representative associations with the opportunity to participate in decision-making in all areas of Union action and that the institutions shall maintain an **open, transparent and regular dialogue** with representative associations and civil society. The democratic legitimacy challenge would be less daunting if this article of the Treaty was indeed about how we do our job today."

Speakers: Ms Emily O'Reilly, European Ombudsman, Mr Daniel Guéguen, Head of strategy & lobbying at PACT European Affairs and Professor at the College of Europe, Mr Raj Chari, Associate Professor at Trinity College Dublin and former expert for the Venice Commission of the Council of Europe.

The transparency of lobbying is not regulated in the Treaties. However, reference is made to the importance of consultation under Article 11(1) TEU, whereby the EU institutions are obliged to 'give citizens and representative associations the opportunity to make known and publicly exchange their views in all areas of Union action'. Under point (2) of this Article, the institutions 'shall maintain an open, transparent and regular dialogue with representative associations and civil society'. The transparent character of this dialogue is explicitly formulated in Article 11(1) TEU ('open, transparent and regular dialogue'). Furthermore, the question of transparency is addressed in Article 15 TFEU, requiring that all EU institutions 'conduct their work as openly as possible' to ensure the accountability of the EU institutions and thus the possibility for democratic control.

The Transparency Register (TR) remains a voluntary system of registration for interest representatives seeking to directly or indirectly influence the EU decision-making process. The TR has grown at an average rate of 1 000 registrants per year and now includes over 7 000 organisations. It covers all organisations and self-employed individuals, irrespective of their legal status, engaged in activities falling within the scope of the Register, including in-house lobbyists, trade and professional associations, professional consultancies, law firms, self-employed consultants, think-tanks, research and academic institutes. The adopted review of the IIA entered into force on 1 January 2015, and will be followed by an update of the system.

The IIA gives the following non-exhaustive examples of lobbying activity:

- contacting Members, officials or other staff of the EU institutions;
- preparing, circulating and communicating letters, information material or discussion and position papers;
- organising events, meetings or promotional activities and social events or conferences, to which

Members, officials or other staff of the EU institutions have been invited;
• voluntary contributions and participation in formal consultations on envisaged EU legislative or other legal acts and other open consultations.

But, what is missing in the EU approach to regulate lobbying?

The Transparency Register has little enforcement powers:

* No fines or imprisonment;
* No strong review powers over registrations: random quality checks;
**Voluntary* register at present;
* This distinguishes the EU from other political systems that have *mandatory* registers;
* Mandatory register of lobbyists covering the Commission, EP *and* Council;
* Promotes all Member States to pursue lobbying laws at the domestic level.

IV- Prevention of corruption in the EU and possible accession of the EU to the GRECO (Council of Europe)

Introduction by **Mr Claude Moraes** - Chair of the Committee on Civil Liberties, Justice and Home Affairs

Speakers: European Commission: Mr Matthias RUETE, Director General of the Directorate General for Migration and Home Affairs (DG HOME), Council of Europe, Group of States against Corruption (GRECO): Mr Wolfgang Rau, Executive Secretary, GRECO Secretariat, Directorate General of Legal Affairs and Human Rights, Council of Europe

Corruption continues to be a challenge for Europe. Affecting all EU Member States, corruption costs the European economy around 120 billion euros per year. Member States have taken many initiatives in recent years, but the results are uneven and more should be done to prevent and punish corruption. Last year, the Commission provided the first ever *EU Anti-Corruption Report* explaining and providing a clear picture of the situation in each Member State: measures in place, outstanding issues, policies that are working and areas that could be improved. Europeans are deeply worried about corruption - Eurobarometer survey results show that three quarters (76%) of Europeans think that corruption is widespread and more than half (56%) think that the level of corruption in their country has increased over the past three years.

At the international level, the main existing monitoring and evaluation mechanisms for fighting against corruption are the Council of Europe Group of States against Corruption (GRECO), the OECD Working Group on Bribery, and the review mechanism of the UN Convention against Corruption (UNCAC). The synergy with GRECO is particular important given that it covers all EU Member States, as well as other European countries of relevance for future enlargement and the Eastern Partnership. The Commission is currently taking measures which will allow full accession of the EU in the future, allowing also for closer cooperation.

Further information
For any further information, please visit the AFCO committee website:
http://www.europarl.europa.eu/committees/en/afco/home.html
Twitter Activities of the AFCO committee may be followed on twitter @EPInstitutional

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