

ETHICS COMMITTEE

EC/22/21

ECB-PUBLIC

To the ECB President

17 November 2022

Subject: Opinion of the Ethics Committee on a prospective post-employment activity, cooling-off period and applicable level of compensation

Dear Madame President,

On 8 November 2022, Ms Ana Paula Serra, Member of the Supervisory Board, notified the Ethics Committee in accordance with Article 17.1 of the Code Conduct for High-level ECB Officials (Single Code) of her intention to take on a gainful occupational activity as Professor of Economics at the Universidade do Porto following the end of her term at the Banco de Portugal on 30 November 2022. On this occasion, Ms Serra also requested, in accordance with Article 17.4 of the Single Code, the Committee's opinion on the cooling-off period applicable to her as well as on the appropriate level of compensation in respect thereof.

The Ethics Committee first notes that the academic nature of Ms Serra's prospective activity at the Universidade do Porto does not raise and could not be perceived as raising conflict of interest concerns. Hence, the Committee is of the view that for this activity no cooling-off period should be applicable to Ms Serra.

Second, the Committee notes that for any future gainful occupational activity in the private financial sector, Ms Serra remains subject to the applicable cooling-off periods defined in Article 17.1 a-c of the Single Code, namely (a) one year for positions with significant or less significant credit institutions, with a possible extension to up to a maximum of two years in the case of significant or less significant credit institutions in the supervision of which Ms Serra was directly involved; (b) six months for positions with any other financial institution; and (c) six months for positions with entities engaged in lobbying in relation to the ECB, or consultancy and/or advocacy for the ECB or for any institution identified under (a) or (b).

Third, the Committee recalls that the level of compensation during the cooling-off period is determined by the length of service at the high-level ECB body. This approach follows, among others, the terms and conditions of employment of the members of the ECB Executive Board and the ECB members of the Supervisory Board and has been supported by the Governing Council.

The Ethics Committee is of the view that this recommendation is applicable as long as the sum of (a) the net monthly remuneration received from the Universidade do Porto and (b) the cooling-off compensation received from the Banco de Portugal does not exceed the net monthly remuneration which Ms Serra received during her last year of office. When such threshold is exceeded, the excess shall be deducted from the compensation payment¹.

For the sake of completeness, the Ethics Committee deems it important to remind Ms Serra of the professional secrecy obligations applying beyond her term as member of the ECB Supervisory Board and of her duty to notify any potential new gainful occupational activity for a period of two years from the end of her term.

Finally, the Ethics Committee recalls that, in line with the transparency policy adopted by the Governing Council in July 2020, opinions on post-employment matters are, as a rule, published with a six-month delay.

With best regards,

The Chair of the ECB Ethics Committee (Patrick Honohan)

¹ In line with Article 17.5 of the Single Code.