



COMPLIANCE & GOVERNANCE OFFICE

ECB-RESTRICTED

To: The Executive Board
Via: The President [*approved*]
From: R. Schremser
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Date: 4 April 2022
Subject: Establishment of an EU Ethics Body – consultation from the European Commission

I. Background

In the "[Political Guidelines for the European Commission 2019-2024](#)" President-elect Ursula von der Leyen expressly supported the creation of an **independent ethics body common to all EU institutions**. Based on these guidelines, the **European Parliament** adopted in September 2021 a (non-legislative) [Resolution with the same aim](#)¹ (Annex 1). In February 2022 the European Commission replied to the European Parliament with a preliminary analysis (Annex 2), welcoming, in principle, the establishment of such body, but pointing to some sensitive aspects, and announcing a "consultation" of the other EU institutions on this matter. Such **consultation letter** has meanwhile been received (Annex 3) expecting a response by end-April.

II. Issue

Despite the general support for the establishment of an independent EU Ethics Body, President von der Leyen's letter also points to a **number of sensitive aspects** such as the need:

- to maintain the institutional balance between the institutions and their respective autonomy,
- to respect the competences and particularities of each institution.

Against this backdrop, the Commission considers that **some aspects** of the EP Resolution **raise substantial difficulties or require further analysis**. These issues – just to name a few – relate to

- personal scope (only high-level officials or also staff)
- material scope (new common rules vs existing rules),
- appropriate legal basis,
- advisory vs decision-making powers,

¹ Previously, the European Parliament, through its [Resolution](#) of 16 January 2020 and the [ECON Opinion](#) of 20 November 2020, called on all EU institutions to participate in this initiative.

- advice on own initiative vs upon request.

In light of these open points² the **Commission President seeks the views of the institutions**. At this preliminary stage, President von der Leyen is merely asking whether the **ECB would be willing to take part in interinstitutional discussions** on a possible future ethics body common to all EU institutions; these discussions should help the Commission defining a balanced proposal, on the basis of which a joint agreement could eventually be reached.

III. Proposed ECB stance

In terms of **substance**, the ECB has, similarly to the Commission, a solid integrity framework and a well-established Ethics Committee to advise high-level officials on ethics and good governance matters. In other words, both institutions would and should be willing to eventually replace their own broadly recognised and well-functioning committees only if the new arrangement is deemed to be **at least at par, if not superior, to the status quo and if other institutions would follow suit**. One criterion to assess whether the condition of adequacy/superiority is being met is the extent to which the specificities of the ECB will be respected.

In terms of **process**, it seems highly desirable for the ECB to be involved in the inter-institutional exchanges from the outset for two reasons: first, as a confirmation of the ECB's openness to this initiative; and, second, to ensure that the ECB's interests are appropriately preserved. To this end, it is recommended to positively respond to President von der Leyen's letter informing her about the ECB's **willingness to participate in the discussions** among institutions, aimed at defining the parameters of a potential EU ethics body. At the same time, such letter should recall that the ECB's experience gained in building a **strong ethics framework** that responds to its specific needs and conduct risks and in more than seven years of effective operation of an **independent Ethics Committee** might prove helpful for the creation of the proposed new body. The letter could also state that any forthcoming changes affecting the role and responsibilities of the ECB's Ethics Committee and the strict ethics standards established by it would need to be **carefully evaluated by the ECB's decision-making bodies prior to committing** in any way.

The Compliance & Governance Office could participate in these preliminary/exploratory inter-institutional exchanges, in close liaison with DG Legal and DG International³, and report back to the ECB President and the Executive Board about the main developments.

The Executive Board is invited to:

- decide to participate in the non-committal inter-institutional exchanges aimed at preparing the role and responsibilities of a possible common EU ethics body;**
- take note that the President would respond to the Commission President accordingly;**
- inform the members of the Governing Council at the next appropriate occasion.**

² For a more comprehensive overview please refer to Annex 4.

³ DG/L and DG/I have been consulted on this memo and their comments are included.