



**Friends of
the Earth
Europe**

Martin Schulz
President
European Parliament
Paul-Henri Spaak Building
09B012
60 Rue Wiertz
1047 Brussels

Brussels, 17 December 2013

Dear President Schulz

Formal complaint on the basis of the findings of the report “New code, old conduct – Transparency and conflicts of interest rules in the European Parliament: too loose to deliver?”

In July 2013, Friends of the Earth Europe, Corporate Europe Observatory, LobbyControl and Spinwatch published a report about the European Parliament’s code of conduct for members. A copy of the report, ‘New code, old conduct? – Transparency and conflicts of interest rules in the European Parliament: too loose to deliver?’ was sent to you at the time and is enclosed with this letter.

The report provides a detailed analysis of four individual case studies of Members of the European Parliament with financial or other links with companies and industry groups that have a direct interest in EU legislation and are involved in lobbying MEPs. We argued that these four cases present a risk of potential conflicts of interest. Since you are responsible for the enforcement of the code of conduct for MEPs, we called on you to:

- Launch an investigation in order to clarify whether or not potential conflicts of interest, as well as potential breaches of the code of conduct, exist in these cases.
- In case of a conflict or a breach, take the appropriate measures to ensure these issues are resolved.

On 5th November 5, Friends of the Earth Europe attended a meeting with representatives of the advisory committee on the conduct of members (hereafter the advisory committee). Based on that meeting and on the findings of the report, we would like to file an official complaint about breaches of the code of conduct. As you can see in the attached report, each case study details which articles of the code of conduct we believe have been breached (articles 1, 2, and 3). We would thereby like to clarify that this complaint is based on the text of the code of conduct itself, not the interpretation of it provided in the User’s Guide that was produced by the advisory committee, or the Implementing Measures of the code of conduct.

Furthermore we would like to use the submission of this complaint as an opportunity to repeat and clarify some of the recommendations we have already provided to you¹. We consider that these would help ensure proper enforcement of the code of conduct:

- Establish a list of clear criteria to define which activities constitute a (potential) conflict of interest. Activities that constitute a (potential) conflict of interest should include:
 - Being employed by or receiving any other form of benefit or reward from an industry lobby group, a lobby consultancy or any other lobby actor;
 - Any lobbying or paid positions to represent outside bodies at the EU level (including law firms engaged in EU lobbying);
 - Any paid or unpaid position on an advisory or supervisory board of companies operating in fields that MEPs are likely to regulate or which have an interest in influencing the European Parliament;
 - Any type of holding (including shares and stock options) or other financial interest in companies operating in fields that MEPs are likely to regulate or which have an interest in influencing the European Parliament.
- In order to effectively limit the risk of conflicts of interest among MEPs, we urge the parliamentary authorities to:
 - Clarify and ensure that the code of conduct not only serves to make potential conflicts of interest transparent but also to prevent and address them when they occur;
 - Extend the mandate of the advisory committee to not only provide advice on how to complete a declaration of financial interest but also to undertake random checks of the submitted declarations for plausibility and to investigate complaints made by stakeholders or the general public. The advisory committee should be able to investigate any apparent inconsistencies or lack of accuracy in the data in the submitted declarations;
 - The advisory committee should be able to proactively pass information on to a team of external independent ethics experts for investigation of any potential conflict of interest if required;
 - Require declarations of financial interests to be filled in online in a searchable database that allows the aggregation of data for the nine questions, making public scrutiny easier;
 - Prohibit third parties from providing financial or staff support to MEPs.

Following the meeting we had with representatives of the advisory committee on 5th November, we would like to add the following recommendations:

- All MEPs who find themselves in a situation of (potential) conflict of interest:
 - Should stand down as rapporteurs or shadow rapporteurs until they have resolved their (potential) conflict of interest;
 - Should not be allowed to vote on issues that relate to the fields where they have (potential) conflicting interests – until they resolve their (potential) conflict of interest.
- For all four MEPs mentioned in the report ‘New Code, Old Conduct’, and for whom the (potential) conflicts of interest are apparent:

¹

The recommendations can be found in the report “New Code, Old Conduct”, p. 18

- The parliamentary authorities should identify a list of issues the MEPs should not be allowed to vote or act as rapporteur on, until the (potential) conflicts of interest are solved.

Based on the concerns about the functioning of the code of conduct that we have expressed on several occasions and the related recommendations we have made, and based on this formal complaint we are now making, we would like to repeat our request for an exchange of views with you. We look forward to your response.

Yours sincerely



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On behalf of Corporate Europe Observatory, LobbyControl, and Spinwatch

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Annexes:

- Report 'New code, old conduct – Transparency and conflicts of interest rules in the European Parliament: too loose to deliver?'
- Full correspondence between Friends of the Earth Europe and the MEPs named in the above report