

Ethics Committee Annual Report for the year 2023

on the application of the Code of Conduct for the Members and former Members of the European Court of Auditors

Article 19(7) of the Code of Conduct for the Members and former Members of the European Court of Auditors¹ requires the Court, once a year, to adopt a report on the application of the Code of Conduct, including the work of the Ethics Committee. The report must be published on the ECA website.

This report covers the year 2023 and was adopted by the Court on 7 March 2024.

¹ As last amended on 7 April 2022.

I. INTRODUCTION

1. The European Court of Auditors abides by the international standards of ethics applicable to supreme audit institutions (INTOSAI Code of Ethics – ISSAI 130). Members and former Members must observe a Code of Conduct, which complements their obligations under the Treaty on the Functioning of the European Union (in particular Article 286 thereof).

II. ETHICAL FRAMEWORK APPLICABLE TO MEMBERS AND FORMER MEMBERS OF THE ECA

2. Having regard to the importance of the responsibilities assigned to them, the Members of the ECA must observe the highest standards of conduct. The ethical values of integrity, independence, objectivity, competence, professional behaviour, confidentiality and transparency, dignity, commitment and loyalty, and discretion and collegiality should be their guiding principles.
3. Members have an obligation to act honestly, reliably, in good faith and solely in the public interest. They are expected to be free from circumstances or influences that compromise, or may be seen as compromising, their professional judgement. They must neither seek nor take instruction from any institution, body, office or agency of the Union, or from any government or other public or private entity. They must act in an impartial and unbiased manner and avoid any situation that is liable to give rise to a conflict of interest, or that could objectively be perceived as such.
4. No Member may engage in any professional activity outside the ECA, or in any other external activity, whether gainful or not, that is incompatible with their duties. However, they may be authorised to assume unremunerated duties in foundations or similar bodies in the legal, scientific, cultural, artistic, social, sporting or charitable spheres, or at educational establishments.

5. In addition, Members may engage in external activities such as giving courses or delivering speeches, or publishing a book or an article, provided that no remuneration is received.
6. Even after leaving office, Members are required to uphold all the obligations arising from their duties that continue to have an effect, in particular the duty to behave with integrity and discretion as regards the acceptance of certain appointments or benefits. They continue to be bound by the duties of discretion and collegiality with respect to the activities they performed while in office. The obligation of professional secrecy also continues to apply.

III. THE ETHICS COMMITTEE

7. The Ethics Committee was established in 2015. Its role is to address all matters of an ethical nature that it deems relevant to the standards laid down in the Code of Conduct and the reputation of the ECA, and to consider any further improvements.
8. The Committee is composed of three permanent and three alternate members. Both groups include two Members of the ECA, as well as one external member selected for their qualities, an impeccable record of professional behaviour and their experience in high-level positions at EU, international or national level.
9. Between October 2021 and 30 June 2023, the permanent members of the Ethics Committee were:

Joëlle Elvinger (chair), Member of the ECA,

Nikolaos Milionis, Member of the ECA,

Melchior Wathelet, former first Advocate General at the Court of Justice of the European Union, external member.

10. Following the end of Ms Elvinger's and Mr Milionis' mandates as permanent members of Ethics Committee, the Court appointed as permanent members, on a proposal by the President, Mr George Marius Hyzler, in replacement of Ms Elvinger,

with effect from 1 July 2023 until 30 June 2026, and Mr Lefteris Christoforou, in replacement of Nikolaos Milionis, with effect from 1 July 2023, until 30 June 2024.

11. Mr Hyzler was elected unanimously the Chairperson of the Ethics Committee at the Ethics Committee meeting of 4 July 2023.

12. The core of the Ethics Committee's work is to examine Members' declarations of their external activities. The President forwards any such declarations to the Committee, which assesses the external activities to ensure that they do not:

- undermine the ECA's impartiality,
- create a conflict of interest, and cannot be objectively perceived as creating a conflict of interest,
- take up an excessive amount of time, taking into account the cumulative impact of a Member's total external activity, or
- afford the Member any pecuniary gain.

13. By way of exception, a simplified procedure applies for external activities such as giving courses, delivering speeches, or publishing a book or an article. In such cases, the President sends the relevant declaration to the Ethics Committee for information only, and the Committee does not issue an opinion unless it deems this necessary.

14. The Ethics Committee is similarly responsible for assessing the compatibility of Members' occupations after leaving office. A Member (or former Member) who intends to engage in an occupation within two years of leaving the ECA must declare it to the President as soon as they become aware of the matter. The President also forwards these declarations to the Committee so it can examine whether the nature of the planned occupation is compatible with Article 286(4) TFEU and the Code of Conduct, whether it undermines the ECA's impartiality, and whether there is a potential conflict of interest. If the Committee considers that the occupation would be incompatible on one or more of these counts, the President informs the person concerned, who must refrain from engaging in that activity.

15. The Ethics Committee also has a role to play under the ECA's policy for ensuring a respectful and harassment-free workplace. Where the Secretary-General or a Member has been accused of harassment, the appointing authority must forward the alleged victim's request for assistance to the Ethics Committee so it can issue an opinion as to whether to open an administrative investigation.
16. The Ethics Committee meets at the request of its chair or if the President or a Member requests an opinion. Its deliberations are confidential.
17. The Committee must issue an opinion within 30 days of being consulted. On a proposal from its chair, it may issue an opinion by written procedure. Its opinions must be duly substantiated and are adopted by majority vote. The Legal Service assists the Committee in its tasks and provides secretarial support.
18. In 2023, the Committee held **five meetings**, each one on the premises of the ECA. It also resorted to the written procedure on numerous occasions.
19. In 2023 the Ethics Committee received, in total, fewer requests to assess than in the previous year. It received **nine requests relating to Members' external activities and six declarations from former Members about their intended occupations** (compared to 24 requests from present Members and two declarations from former Members about their intended occupations in the previous year).
20. A simplified procedure was used to assess the **nine** requests relating to external activities of current Members, in accordance with Article 16(4) of the Code of Conduct, as the activities in question consisted in giving a lecture or an interview, chairing a conference or publishing a book or an article. In none of these cases did the Committee deem it necessary to issue a formal opinion.
21. Regarding the six declarations by former Members, in one case the Committee considered that the activity in question did not constitute an occupation within the meaning of Article 17 of the Code of Conduct, so did not raise any concerns which would have required follow-up. In the remaining five cases, the Ethics Committee

issued formal opinions, out of which 4 were positive (where it deemed that the nature of the envisaged occupations was compatible with the obligations as former Members of the ECA, under Article 286(4) TFEU and the provisions of the Code of Conduct) and one negative.

22. In 2023, the Ethics Committee took all its decisions unanimously.

IV. ACTIVITIES LINKED TO THE CODE OF CONDUCT

23. Article 14 of the Code of Conduct requires the Members to submit a declaration of interests no later than one month after taking office, once a year on 31 January, at any time in the event of significant changes in the information to be declared (including new external activities), and on leaving office.

24. In 2023, all 26 Members who were in office at the beginning of the year submitted their annual declarations of interests on time. These declarations, and those of the two ECA Members who took office in the course of 2023, are published on the ECA website.

V. ACTIVITIES LINKED TO THE NEGOTIATIONS FOR THE ESTABLISHMENT OF AN INTERINSTITUTIONAL ETHICS BODY

25. Since September 2023, Mr Hyzler, the Chairperson of the Ethics Committee, has represented the ECA in the political meetings concerning the setting up of an Interinstitutional Body for Ethical Standards for the Members of the Institutions and advisory bodies mentioned in Article 13 of the Treaty on European Union (“the Body”). The negotiations are based on a Commission’s proposal of 8 June 2023, [COM\(2023\) 311 final](#).

26. In its proposal, the Commission sets out the mandate of the Body to contribute to promoting a common culture of ethics and transparency amongst the parties, in particular by developing minimum standards common to the parties for the conduct of their members and by fostering the best practices on the matter. During the

negotiations, it was also proposed, inter alia, that the experts who will assist this Body may be consulted by the parties on declarations of interests of their members or issues relating to the interpretation of standards set by the Body.

27. The Members of the ECA and the Ethics Committee were updated gradually on the progress of the negotiations at political and technical level for the setup of the Interinstitutional Ethics Body. They discussed in particular about the mandate of the Body to set common ethical standards and proposals, in particular from the European Parliament, to enlarge that mandate², the principle that the Body takes decisions by consensus, the rotating Secretariat of the Body, and the cost sharing amongst the institutions participating in this Body.

28. At the end of 2023, the interinstitutional negotiations on the set up and mandate of the Body were still ongoing.

² See [European Parliament resolution of 12 July 2023 on the establishment of the EU ethics body \(2023/2741\(RSP\)\)](#).