

EUROPEAN CENTRAL BANK

CODE OF CONDUCT OF THE EUROPEAN CENTRAL BANK

in accordance with Article 11.3 of the Rules of Procedure of the European Central Bank

(2001/C 76/11)

1. PRELIMINARY STATEMENTS

This Code of Conduct (hereinafter referred to as the 'Code') gives guidance in matters of professional ethics to all persons employed by the European Central Bank (hereinafter referred to as the 'addressees') and serves as a reference for the public with regard to the standard of conduct that third parties are entitled to expect in their dealings with the European Central Bank (ECB). The Code makes explicit the ethical conventions and standards by which the ECB considers it necessary for the addressees to abide and clarifies the benchmarks against which fulfilment of the obligations already assumed by the addressees will be measured. The Code draws on, and is without prejudice to, the terms of individual contracts of the members of the Executive Board, the Conditions of Employment for Staff of the European Central Bank (hereinafter referred to as the 'conditions of employment') and all texts implementing them. Similarly, the Code gives guidance to and sets ethical conventions, standards and benchmarks for the members of the Executive Board of the ECB.

2. BASIC PRINCIPLES

The addressees are expected to act with exclusive loyalty to the ECB, honestly, independently, impartially, with discretion and without regard to self-interest or national interests, to subscribe to high standards of professional ethics, and to avoid any situation liable to give rise to a conflict of interest.

The addressees are encouraged in their inter-personal relationships within the ECB to behave as Europeans and citizens of the European Union, with no national bias, drawing on the cross-cultural heritage of the Member States, and achieving a level of teamwork and team spirit which goes beyond cultural differences.

2.1. Equal treatment and non-discrimination

The addressees should avoid any form of discrimination and, in particular, any discrimination based on race, nationality, gender, age, physical disability, sexual preference, political opinions, philosophical views or religious convictions.

Sexual harassment or psychological or physical bullying of any kind whatsoever will not be tolerated by the ECB. Community legislation defines sexual harassment as 'unwanted conduct of a sexual nature, or other conduct based on sex affecting the dignity of women and men at work. This can include

unwelcome physical, verbal or non-verbal conduct'⁽¹⁾. The addressees need both to show sensitivity to and respect for others and to stop any behaviour seen as offensive by another person at his/her first indication. None of the addressees shall be prejudiced in any way whatsoever for preventing or reporting harassment or bullying.

2.2. Diligence, efficiency, responsibility

The addressees are expected always to carry out diligently, efficiently and to the best of their abilities the responsibilities and the duties entrusted to them. They are expected to be mindful of the importance of their duties and responsibilities, to take into account the expectations of the public concerning their moral behaviour, to conduct themselves in a way that maintains and boosts the public's trust in the ECB, and to contribute to the efficiency of the administration of the ECB.

2.3. Legal compliance

According to the protocol on the privileges and immunities of the European Communities, the privileges and immunities enjoyed by the addressees are accorded solely in the interests of the ECB. These privileges and immunities shall in no way exempt the addressees from fulfilling their private obligations or from complying with the applicable national laws. In particular, the criminal laws and police regulations in force in Germany are to be respected in full by the addressees.

3. RELATIONS WITH THE OUTSIDE WORLD

3.1. Independence

3.1.1. Avoidance of external influence

The principle of independence is laid down in Article 7 of the Statute of the European System of Central Banks and of the European Central Bank (hereinafter referred to as the 'Statute'). In all external relations the addressees should support the commitment of the ECB to act in accordance with the principle of independence. Accordingly, addressees should not seek or take instructions from any government, authority, organisation or person outside the ECB.

⁽¹⁾ Commission Recommendation of 27 November 1991 on the protection of the dignity of women and men at work (OJ L 49, 24.2.1992, p. 1).

3.1.2. *Negotiating prospective employment outside the ECB*

The addressees should behave with integrity and discretion in respect of both any negotiations concerning prospective employment and the acceptance of professional positions after they have ceased to hold office at the ECB, in particular if such positions are taken with a financial institution or with one of the ECB's suppliers. As soon as any such negotiations are under way or such a perspective exists, the addressees concerned are expected to abstain from any matter that may relate to the prospective employer, if the continuation of such relationship may lead to their being reproached for a conflict of interest or for having misused their position at the ECB.

3.1.3. *Gifts and honours*

Respect of the principle of independence is incompatible with applying for, receiving or accepting from any source outside the ECB or from subordinates any benefits, rewards, remuneration or gifts in excess of a customary or negligible amount, whether financial or non-financial, which are connected in any way whatsoever with an addressee's activity within the ECB.

As regards the acceptance of honours or decorations granted to addressees by national authorities on the grounds of services to the ECB, addressees should give prior notification to and seek clearance by the President of the ECB.

3.1.4. *External activities*

Addressees may undertake non-remunerated and non-financial activities outside working hours in domains such as culture, science, education, sports, charity, religion, social work or other benevolent work, on condition that such activities do not have a negative impact on the addressees' obligations with regard to the ECB. Remunerated activities of this nature and other activities outside working hours require prior approval in accordance with the conditions of employment.

The addressees are requested to employ prudence and caution in any political activities so as to preserve the independence and neutrality of the ECB. In particular, the ECB is not in favour of senior management acquiring or maintaining any prominent position in political parties. The addressees should not carry out political activities within working hours, using the facilities of the ECB, or on its premises.

The addressees may associate with academic societies and contribute to their material and scientific development. In particular, the addressees may engage in research, deliver lectures, write articles or books or pursue any other similar activities involving a subject matter related to topics covered by their work, subject to the approval of the Executive Board. However, it must be made clear that such scientific or academic contributions by the addressees are made in a personal capacity and do not involve the ECB. The addressees should in no way appear to represent an institutional position held by the ECB, unless they have been authorised to the contrary in advance.

The addressees shall neither solicit nor receive remuneration whether financial or of any other kind for any external activities carried out in the performance of their duties, except where strictly required to cover their expenses, unless duly authorised to do so by the Executive Board.

3.2. **Confidentiality and public access to documentation**

Professional secrecy, provided for in Article 38 of the Statute, in the conditions of employment and in all texts implementing them, requires the non-divulgence of confidential information obtained by the addressees in the performance of their duties. Permission to give evidence, whether as a witness in legal proceedings or otherwise, shall be requested and it shall be granted whenever a refusal to give evidence would involve the addressee in criminal proceedings. Permission shall not, however, be required in the event of an addressee being summoned to give evidence before the Court of Justice of the European Communities in a case between the ECB and a current or former member of its staff.

The obligations with regard to professional secrecy do not prevent public access to information and documents as determined in the ECB Decision of 3 November 1998 (ECB/1998/12 and subsequent modifications).

3.3. **Relations with the public**

3.3.1. *Basic principles*

Accessibility, efficiency, correctness and courtesy should guide the addressees in their relations with the public. The addressees shall ensure, to the extent possible, that members of the public are provided with the information they request. Such information, as well as any reason not to provide the information, shall be clear and understandable.

3.3.2. *Data protection*

Addressees dealing with personal data concerning individual citizens shall respect the principles laid down in Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data⁽¹⁾. Such addressees shall, in particular, avoid processing personal data for non-legitimate purposes or the transmission of such data to non-authorised persons.

3.3.3. *Appeals*

Addressees should ensure that any decision of the ECB which may have an adverse effect on the rights or interests of a third party shall contain an indication of the options available to challenge the decision, as well as the competent appeal bodies and time-limits required for the exercise of such options.

⁽¹⁾ Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (OJ L 281, 23.11.1995, p. 31).

3.4. Contacts with the media

Addressees should refrain from giving interviews or supplying off-the-record information (i.e. information that is not available in the public domain) on their own initiative or upon invitation to the media without prior authorisation. When meeting members of the media on a social basis, addressees shall exercise the utmost degree of discretion with regard to matters related to the European System of Central Banks (ESCB).

3.5. Relations with national central banks

A spirit of close mutual cooperation should govern the relations between the addressees and their colleagues at the national central banks (NCBs) forming part of the ESCB. Such cooperation with the NCBs should be guided by the principles of non-discrimination, equal treatment and the avoidance of national bias. It should be without prejudice to the maintenance of confidentiality wherever appropriate. In this context it has to be borne in mind that not all members of the ESCB form part of the Eurosystem, which has institutional implications for the extent of this cooperation.

In any relationship with an NCB, the addressees should bear in mind their obligations with regard to loyalty to the ECB and the impartial role of the ECB within the ESCB.

3.6. European institutions and bodies and national authorities

Contacts, whether formal or informal, with representatives of European institutions, other European bodies and national authorities should always reflect the position of the ECB if and when such a position exists; in the absence of an established ECB position, the addressees should explicitly reserve any ECB position on a given matter when advancing personal views. Contacts with European institutions and bodies require special attention and a high level of accessibility, while the independence of the ECB and the maintenance of professional secrecy as provided for in the Statute should be ensured.

Addressees should inform their superiors of any attempt to influence the ECB in the performance of its tasks in an improper manner.

3.7. Private financial activities and conflicts of interest

The tasks and activities of the ECB involve financial transactions with financial institutions as well as a diverse set of other business relationships. They also involve the analysis for and the preparation of decisions which may have an impact on market developments. In these and other professional activities, the addressees should be in a position to act with full independence and impartially.

3.7.1. Avoidance of potential conflicts of interest

The addressees should avoid any situation liable to give rise to a conflict of interest. Conflicts of interest arise where the

addressees have private or personal interests which may influence or appear to influence the impartial and objective performance of their duties. Private or personal interests mean any potential advantage for themselves, their families, their other relatives or their circle of friends and acquaintances.

3.7.2. Information on tenders for goods and services

During tender procedures the addressees should communicate only through the official channels and avoid providing information orally.

3.7.3. Insider trading

Addressees shall comply with the rules on insider trading established by the Executive Board.

3.8. Relations with interest groups

Relations with interest groups should be built upon the basic rules of professional ethics. The addressees should ensure that all representatives of interest groups identify themselves as such, clearly state the capacity in which they are acting and give the names of any other addressee whom they have contacted on the same subject.

4. IN-HOUSE RELATIONS

4.1. Loyalty and cooperation

For the addressees, loyalty implies not only the fulfilment of the tasks entrusted to them by their superiors and compliance with the latter's instructions and with the applicable reporting lines, but also assistance, advice, openness and transparency in all dealings with superiors and colleagues. In particular, the addressees should keep other concerned colleagues informed with regard to work in progress and enable them to contribute to it. Withholding information that may affect the conduct of business from superiors or colleagues, particularly in order to gain a personal advantage, providing false, inaccurate or exaggerated information, refusing to cooperate with colleagues or demonstrating any obstructive behaviour would be contrary to the form of loyalty expected of the addressees.

Any communication should demonstrate due respect for the reporting channels. Documents should be copied to any colleagues concerned. Managers shall instruct the addressees working with them in a clear and understandable manner, whether orally or in writing.

4.2. Use of the ECB's resources

The addressees are expected to respect and protect the ECB's property and not to allow third parties to make use of the ECB's services and/or facilities. All equipment and facilities, whatever their nature, are provided to the addressees by the ECB for official use only, unless private use is permitted either according to relevant internal rules or practices or on a discretionary basis.

The addressees are also expected to take all reasonable and appropriate measures to limit the costs and expenses of the ECB wherever possible, so that the available resources can be employed in the most efficient manner.

5. IMPLEMENTATION

5.1. Role of the addressees

Proper implementation of this Code depends first and foremost on the professionalism, conscience and common sense of the addressees.

In addition to the vigilance which addressees in positions of authority are expected to demonstrate, they are also expected to behave in an exemplary fashion with regard to the adherence to the principles and rules laid down in this Code.

5.2. Ethics Adviser

Addressees who have any questions on the application of the Code of Conduct should discuss the matter with the Ethics Adviser mentioned in the staff rules. Conduct that is fully in conformity with the advice and interpretative ethical rules developed by the Ethics Adviser shall not give rise to a disciplinary procedure for non-compliance by the addressee with his/her obligations *vis-à-vis* the ECB. Such advice shall, however, not release the addressee from his/her external liability.

5.3. Distribution and publication

A copy of this Code shall be distributed to each addressee. It shall be published in the *Official Journal of the European Communities*.
