

European Communities

EUROPEAN PARLIAMENT

Working Documents

1982-1983

19 January 1983

DOCUMENT 1-1097/82

REPORT

drawn up on behalf of the Committee on the
Rules of Procedure and Petitions

on the provisions implementing Rule 8 of the
Rules of Procedure (declaration of Members'
financial interests)

Rapporteur: Mr H.R. Nord

PE 78.031/fin.



By Letter of 4 December 1981 (PE 76.493), the President of the European Parliament informed the chairman of the Committee on the Rules of Procedure and Petitions that the enlarged Bureau had examined the opinion drawn up by Mr ROGERS (PE 76.491/fin.) and approved the proposal whereby Members would be required to declare any interest (personal or financial) when participating in deliberations in committee or in plenary sittings. The enlarged Bureau also requested the committee to consider afresh the question of keeping a register and to submit new proposals.

At its meeting of 27 January 1982, the Committee on the Rules of Procedure and Petitions decided to draw up a report on this subject since Rule 8 of the Rules of Procedure provides that a Code of Conduct shall be laid down pursuant to Rule 112(2) of the Rules of Procedure (in other words in the form of a proposed amendment to the Rules of Procedure, which, to be adopted, must secure the votes of a majority of the Members of Parliament).

At its meeting of 24 February 1982, Mr NORD was appointed rapporteur.

The committee considered the draft report at its meetings of 29 April, 30 September and 20 December 1982. At the latter meeting it adopted the draft report by 14 votes to 4 with 2 abstentions.

The following took part in the vote: Mr Nyborg, chairman; Mr Poniridis, Mr Adonnino, vice-chairmen; Mr Nord, rapporteur; Mr Alber, Mrs Boot, Mr Chambeiron, Mr Cottrell, Mr D'Angelosante, Mr Forth, Mr Gontikas, Mr Herman, Mr Van Minnen, Mr Papaefstratiou, Mr Protopapadakis, Mr Prout, Mr Romualdi, Mr Schwencke, Mr Vandemeulebroucke and Mrs Vayssade.

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A

The Committee on the Rules of Procedure and Petitions hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on provisions implementing Rule 8 of the Rules of Procedure
(declaration of Members' financial interests)

The European Parliament,

- A. having regard to Rules 8 and 112(2) of its Rules of Procedure,
- B. having regard to the report by the Committee on the Rules of Procedure and Petitions (Doc. 1-1097/82),
 - 1. Decides to insert the following provisions in its Rules of Procedure as Annex III;
 - 2. Instructs its Secretary-General to ensure absolute uniformity of the texts of Annex III in the seven official languages;
 - 3. Instructs its President and Secretary-General to implement the provisions of Article 3 below as soon as possible;
 - 4. Instructs its President to forward this resolution to the Council and the Commission and to the Foreign Ministers meeting in Political Cooperation for information.

ANNEX III

Provisions implementing Rule 8 of the Rules of Procedure Declaration of Members' financial interests

Article 1

Before speaking in Parliament or in one of its bodies, any Member who has a direct financial interest in the subject under debate shall disclose this interest to the meeting orally unless it is obvious from the written declaration made by him pursuant to Articles 2 and 3.

Article 2

1. Each Member shall be required to make a detailed declaration of his professional activities.
2. Members shall also list any other paid functions or activities insofar as these are relevant.

Article 3

The declaration referred to in Article 2 shall be made in writing and entered by the Secretary-General in a register, the form of which shall be determined by the Bureau. This register shall be open to the public for inspection.

EXPLANATORY STATEMENT

1. A perusal of the documents which the European Parliament has produced on this subject since 1974 reveals differences in approach which are related to the practices of the national parliaments. The United Kingdom and the Federal Republic of Germany lay down very specific rules; the Netherlands' rules are less formal but reflect the same idea. In Greece the tax returns of Members of Parliament are published, providing information on Members' incomes. Members of the French Parliament must declare their professional activities although they are not required to disclose the amount or the source of their income. Italy has no legal provisions as yet, but members of parliament may disclose information about their sources and levels of income on a voluntary basis. There are no rules in the other Member States.
2. It is not only the traditions of the various Member States with regard to 'open politics' which play a role, but also the level of remuneration received by Members of Parliament. Some countries fix Members' salaries at a high level so that Members of Parliament do not have to rely too greatly on interest groups to supplement their parliamentary income. Other countries, on the other hand, consider that a Member of Parliament should not be exclusively a professional politician, but should play an active role in society, where he must also retain his professional roots.
3. If the European Parliament wishes to adopt rules concerning the disclosure of Members' financial interests, these rules need to be such that the overwhelming majority can agree to them, seeing that Rule 8 of the Rules of Procedure refers to Rule 112(2), which stipulates that, to be adopted, amendments to the Rules must secure the votes of a majority of the Members of Parliament. It seemed useful therefore to define a number of basic principles and to examine whether there is a possibility of obtaining a broad majority within the European Parliament.
4. First, the purpose of the rules must not be to satisfy human curiosity about what someone else earns, in this case Members of Parliament. The recording of personal data and protection of privacy are at this moment highly topical subjects of discussion and it is only fair that Members of Parliament should also be able to claim their rights.

The rules should apply to those interests which may have a bearing on the political conduct of Members of Parliament. The public should have the possibility of knowing against what social background Members of Parliament conduct their political activities and therefore it is not desirable to shroud such matters in secrecy; besides, there is a danger of creating the mistaken impression that matters are involved which would not stand up to close scrutiny.

5. Second, there is the question of how detailed such rules should be. The committee considers that excessively detailed rules would have no chance of success in the European Parliament at present. It is extremely difficult to devise detailed rules which are effective as they can easily give rise to arbitrary situations. Furthermore, because European society is not sufficiently homogeneous, it is difficult to devise detailed criteria applicable to people from so many different countries.

6. Third, there is the danger with detailed rules that they might prove to be not detailed enough and therefore contain loopholes. For instance, to what extent should gifts (offers of trips, election presents, etc.) be declared? Should a certain minimum figure be set or should other criteria be applied? If the aim is to settle such matters in minute detail, the rules must be absolutely watertight. Otherwise, grey areas arise which may put Members in a disadvantageous position. Indeed, a Member believing in good faith that he is not bound to make a declaration about some matter may find himself the target of accusations from others who put a different interpretation on the rules.

7. It was pointed out by various people on the committee that the rules contained in the report should not be interpreted as a sign of lack of confidence in the integrity of Members of Parliament, but merely as a means of protecting them against whispering campaigns and unfounded allegations and to prevent any misconduct by individual Members being attributed to all Members of Parliament. In this context, Parliament should welcome rules of this kind.

8. The committee took the view that a choice had to be made between a very specific set of rules and brief general provisions. In view of the fact that a broad measure of agreement is required within the European Parliament, the committee decided upon the second option. This constitutes an initial step on which further developments can be based when the necessary experience has been acquired and a somewhat broader measure of agreement has been reached.

9. The above considerations have served as a starting point for the drawing up of the motion for a resolution to be submitted to Parliament and containing a number of implementing provisions for Rule 8 of the Rules of Procedure. First, it is proposed that Members speaking on a matter in which they have a direct financial interest should disclose this interest unless it is already obvious from the written declaration that they have made.

Second, it is proposed that in the written declarations of their professional activities Members shall also give details of any other paid functions or activities insofar as these are relevant. This information will be available to the public for inspection.

10. The committee hopes that the proposed resolution will secure the required majority. It does not go as far as some people would wish, but it does represent an initial step which leaves room for further developments in the future.

