



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 13 December 2012

17767/12

**FIN 1055
GAF 31
AG 6
INST 736**

"I/A" ITEM NOTE

From: Budget Committee
To: Permanent Representatives Committee/Council

Subject: Special report No 15/2012: Management of conflict of interest in selected EU Agencies
- Draft Council Conclusions

1. On 15 October 2012, the Council received special report No. 15/2012 "Management of conflict of interest in selected EU Agencies"¹.
2. The Permanent Representatives Committee instructed the Budget Committee to examine it and draw the relevant conclusions².

On 10 December 2012, the Budget Committee reached an agreement on the draft Council conclusions annexed hereto, on the basis of a proposal presented by the Presidency.

¹ Doc. 15096/1/12 REV 1 FIN 769 GAF 21 AG 4 INST 595.

² Doc. 15097/12 FIN 770 GAF 22 AG 5 INST 596 + COR 1.

3. It is suggested that the Permanent Representatives Committee advise the Council to adopt the draft Council conclusions in the Annex as an "A" item on the agenda of a forthcoming meeting.
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COUNCIL CONCLUSIONS

**on special report No 15/2012 -
"Management of conflict of interest in selected EU Agencies"**

THE COUNCIL:

1. WELCOMES the Court of Auditors' special report¹ on the assessment of policies and procedures for the management of conflict of interest situations of four EU Agencies (the European Aviation Safety Agency, the European Chemicals Agency, the European Food Safety Agency and the European Medicines Agency), hereafter called "the selected Agencies".
2. ACKNOWLEDGES that, due to the powers given to the selected Agencies and their respective interactions with key actors of the European industry, they are potentially exposed to conflict of interest situations.
3. TAKES NOTE with concern that several key players involved in decision-making processes in the selected Agencies, such as members of Management Boards, members of scientific committees, external experts and other stakeholders, are not covered by the provisions regarding conflict of interest included in the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities.

¹ Doc. 15096/1/12 REV 1 FIN 769 GAF 21 AG 4 INST 595.

4. REGRETS that the Court of Auditors found that none of the selected Agencies adequately managed the conflict of interest situations either because of the absence of any agency-specific policies or because of an inconsistent or incomplete implementation of their own policies and procedures in force.
5. ENCOURAGES the selected Agencies to pursue efforts to further develop and/or improve their policies and procedures for the management of conflict of interest situations and URGES them to adequately implement their own agency-specific provisions.
6. URGES all Agencies to ensure more transparency and the right implementation of agency-specific provisions on conflict of interest situations, where relevant through the monitoring by the Commission.
7. Although legally non-binding, WELCOMES the Common Approach agreed by the Interinstitutional Working Group on EU decentralised agencies and STRESSES the relevance of the issue of conflict of interest in relation to members of Management Boards, Directors, as well as members of scientific committees and boards of appeal.
8. LOOKS FORWARD TO the Commission's roadmap on the follow-up to the Common Approach, including a planning with concrete initiatives and milestones.
9. Notwithstanding the provisions included in the Financial Regulations, in the Staff Regulations of Officials, in the Conditions of Employment of Other Servants of the European Communities and the future implementation of the Common Approach on EU decentralised agencies, UNDERLINES the necessity to follow the Court of Auditors' recommendation addressed to the EU legislator to consider further developing the EU regulatory framework dedicated to the management of conflict of interest situations.
10. INVITES the Court of Auditors to keep the Council updated in the coming years on the progress made by the decentralised agencies in the area of management of conflict of interest situations.