



EBA accepts Ombudsman recommendations following former Executive Director's move to finance lobby group

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European Ombudsman Emily O'Reilly commends the European Banking Authority (EBA) for agreeing to introduce the measures she recommended to deal with future revolving door situations. This follows her finding that the EBA should not have allowed its former Executive Director to become CEO of a financial lobby association.

According to the [EBA's reply \[Link\]](#) to the Ombudsman, it is ready to forbid senior staff from taking up certain positions when they leave the EBA in the future. Shortly after the Ombudsman made her findings of maladministration in this case – in order to demonstrate its commitment to this approach - the EBA prohibited its former Executive Director from taking up another post in the private sector. The EBA has also adopted a new policy for assessing post-employment restrictions and prohibitions for staff. It has in addition put in place procedures to suspend immediately access to confidential information for staff known to be moving to another job.

The Ombudsman's [recommendations \[Link\]](#) followed an inquiry - based on a complaint from *Change Finance* (a coalition of civil society groups) - into the EBA's decision to allow its former Executive Director to become CEO of the Association for Financial Markets in Europe (AFME).

"The EBA has worked hard to give full effect to the recommendations I issued in this case. I am



confident that the wide range of measures it has introduced will help it avoid damaging revolving door moves in the future. Other EU institutions and agencies should draw on these new EBA safeguards when revising their own rules.

I also welcome the European Commission's decision to put in place a two-year Commission-wide cooling-off period on meetings with the CEO of AFME until 1 February 2022," said Ms O'Reilly.

The inquiry

The Ombudsman had concluded that, while the EBA had linked extensive restrictions to its approval of the former Executive Director's new post at AFME, the EBA was not in a position effectively to monitor how they are implemented. The inquiry also showed that, although the EBA was informed of the job move on 1 August 2019, its outgoing Executive Director had access to confidential information until 23 September 2019.

The Ombudsman made **three recommendations** to strengthen how the EBA deals with any such future situations:

- **For the future, the EBA should, where necessary, invoke the option of forbidding its senior staff from taking up certain positions after their term-of-office. Any such prohibition should be time-limited, for example, for two years .**
- **To give clarity to senior staff, the EBA should set out criteria for when it will forbid such moves in future. Applicants for senior EBA posts should be informed of the criteria when they apply.**
- **The EBA should put in place internal procedures so that once it is known that a member of its staff is moving to another job, their access to confidential information is cut off with immediate effect.**

Background

Article 16 of the EU staff regulations deals with so-called 'revolving door' situations, under which staff have to inform an institution if they plan to take up a job within two years after leaving the EU civil service. The institution has the right to forbid the person from taking the job if it considers that it would conflict with the interests of the EU institution. An EU institution must also prohibit its former senior officials, during the 12 months after leaving the service, from lobbying the institution's staff.

In 2019, the Ombudsman concluded an in-depth [inquiry \[Link\]](#) into how the European Commission manages such cases, suggesting that a more robust approach is taken with cases involving senior officials.

At the same time, the Ombudsman concluded an [examination \[Link\]](#) into how the EU administration deals with them in general, making a number of proposals to strengthen the transparency in this area.

