



Ombudsman recommends President Draghi suspend his 'Group of 30' membership

Press release no. 1/2018 - 17/01/2018

Following a year-long complaint-based inquiry, the European Ombudsman, **Emily O'Reilly**, has recommended that ECB President Mario Draghi suspend his membership of the Group of 30 (G30) for the remainder of his term in office in order to protect the Bank and its President from any perception that the Bank's independence could be compromised. The Ombudsman has also recommended that future presidents of the ECB do not become members of the G30.

The G30 is a Washington DC based private group whose members consist of a number of central bank governors, private sector bankers and academics. Membership is by invitation only. Among the members are representatives of banks supervised, directly or indirectly, by the ECB.

"The ECB takes decisions that directly affect the lives of millions of citizens," said the Ombudsman. "In the aftermath of the financial crisis, and in consideration of the additional powers given to the ECB in recent years to supervise member state banks in the public interest, it is important to demonstrate to that public that there is a clear separation between the ECB as supervisor and the finance industry which is affected by its decisions."

The Ombudsman said that the ECB can legitimately continue to participate in certain public activities of the G30 but in the interests of maintaining the public's trust in the Bank she has



outlined how this participation should be managed. This includes making public the agendas and summaries of the discussions in the meetings.

“The ECB can of course interact with the G30, as it does with any other stakeholder, in order to improve policy-making by listening to a broad range of viewpoints. However, these interactions should be as transparent as possible and not based on membership, which, with that implied closer relationship, undermines the very positive transparency steps the ECB has made in recent years.”

The Bank has failed to show how the public interest in stakeholder engagement could be damaged by the President of the ECB not being a member of the G30, as opposed to being a participant at some of its meetings, like, for example, Janet Yellen of the US Federal Reserve. My recommendations would bring the relationship between the ECB and the G30 in alignment with certain of the Bank’s own governance rules and codes,” said Ms O’Reilly.

More broadly the Ombudsman has proposed that the bank further tighten its ethics rules so that members of the Executive Board are accompanied by an ECB staff member at all meetings. In addition, the ECB should adopt explicit ethics rules for the Supervisory Board, which is in charge of the ECB’s supervisory tasks.

Background

The Group of 30 is a small private organisation with membership by invitation only. Members include representatives of banks either directly or indirectly supervised by the ECB (see paragraph 26 of the Ombudsman’s Recommendation). The G30 holds two member-only plenary sessions each year.

This case is the second time the Ombudsman has dealt with a complaint concerning the Bank’s involvement with the G30. The then Ombudsman [found \[Link\]](#) that the ECB’s involvement in the G30 was - broadly speaking - compatible with the independence, reputation and integrity of the ECB. The current Ombudsman decided to open this inquiry given the new and extensive supervisory powers of the bank and the public’s heightened awareness, following the financial crisis, of the importance of having high ethical and accountability standards in public institutions.

The Ombudsman’s Recommendation can be found [here \[Link\]](#).