



European Ombudsman

Emily O'Reilly
European Ombudsman

Mr Mario Draghi
President
European Central Bank

Strasbourg, 04/07/2017

Complaint 1697/2016/ANA

Subject of case: ECB's involvement in the "Group of 30"

Dear Mr President,

On 13 March 2017, my inquiry team met with representatives of the ECB to discuss the above-mentioned inquiry and inspect the relevant documents. I would like to thank you for the ECB's good co-operation.

As you know, the banking and financial crisis throughout much of the last decade provoked understandable and widespread concern about banking regulation and supervision at national, European and global levels. In some jurisdictions this led to concerns that regulators and supervisors may have been unduly influenced by the private institutions under their regulation and supervision.

Since the crisis, the ECB has been charged with banking supervision tasks of critical importance to all Europeans. The ECB has high standards of independence, transparency and integrity and in that context, I am sure you will agree the ECB must continue to uphold these highest standards.

It would now be useful to receive written responses to this complaint. I would greatly appreciate it if the ECB would address the following questions and provide any additional relevant comments.



1. What exactly does membership of the Group of 30 entail and who determines how one becomes a member?
2. How often does the ECB President (or any other ECB member) take part in meetings of the Group of 30? How many times so far have the current or former Presidents of the ECB participated in such meetings?
3. How is the Group of 30 financed and does the ECB make any contribution to its financing?
4. It would appear that Group of 30 events are invitation-only. How is it decided which people or what organisations are invited to participate in the meetings and working groups?
5. Is it correct that the current Group of 30 members include four representatives from banks directly (significant institutions) or indirectly (less significant institutions) supervised by the ECB? Does the ECB have any rules, protocols or guidelines to protect against a conflict of interest situation arising in relation to Group of 30 meetings and events?
6. Is there an internal decision concerning ECB participation in such fora? Are there any internal documents specifically addressing the participation of the ECB President or members of the Executive Board in the Group of 30 (authorisation, information, etc.)?
7. We note from the ECB President's 2016 published calendar that the President met with Credit Suisse, Deutsche Bank, BridgeWater Associates, BlackRock, Morgan Stanley, Munich Re and AXA. What other fora exist in which the ECB President and Executive Board members meet with representatives of the financial sector?
8. My inquiry team was told during the inspection that the membership of the ECB President is in a personal capacity. However, it is clear from the documents inspected that when, on one occasion, the President was unable to attend a meeting, the Vice-President was invited (and gave a speech). It may be argued, therefore, that the ECB's involvement in the Group of 30 is rather of an institutional nature. What is the ECB's view?
9. Where ECB members attend meetings organised by the Group of 30, they must abide by Treaty transparency requirements. However, Group of 30 meetings are not transparent. Would the ECB consider proactively informing the public of the content of these meetings, providing agendas and non-confidential summaries? The ECB already provides for transparency regarding its meetings in the context of the Banking Industry Dialogue and the Institutional Investor Dialogue.



10. Regarding ECB involvement in the Group of 30 publications, the complainant argued that, in the absence of a 'disclaimer', the public might consider that Group of 30 reports reflect the views of the ECB. Would the ECB consider the insertion of a disclaimer clarifying that any involvement in such publications does not necessarily reflect the views of the ECB?
11. Regarding the institutional safeguards already put in place, I note that the '*Guiding principles for external communication by members of the Executive Board of the ECB*' provide that as a matter of principle and where practical, an ECB staff member should be present at bilateral meetings between members of the Executive Board and third parties. This is particularly relevant in the case of the ECB's President and Vice-President. Would the ECB consider that this rule should be observed in all cases?
12. Would the ECB consider, in the interest of clarity and legal certainty, the extension of the *Guiding principles* to members of the Supervisory Board?
13. What is the ECB's view on the appropriateness of the chairing of the ECB's Ethics Committee by the Honorary Chairman of the Group of 30? This question arises in the context of the Ethics Committee's possible role in assessing the ECB's membership of the Group.
14. The complainant argues that it is inappropriate for the ECB President to take part in closed meetings alongside commercial banks. Specifically, the complainant argues that there is a risk that confidential information might be disclosed to these banks in those meetings. Even if no such information has actually been disclosed in those meetings, there may be a public perception that such disclosures might occur. What is the ECB's view?
15. The complainant takes the view that there are insufficient mechanisms in place to supervise and regulate the behaviour of members of the ECB's decision-making bodies in relation to the Group of 30; specifically that, other than on the basis of the 'quiet period' principle, the ECB has no rules governing such participation. What is the ECB's view?



16. The complainant raises the issue of ECB independence in the light of the ECB's involvement in the Group of 30. Has the ECB considered this matter and, if so, what has it concluded? Could the ECB state the specific reasons why it considers membership and participation in the Group of 30 important, including any relevant public interest reasons. If the ECB considers that there is a public interest benefit in membership, could it explain why participation in relevant events - as opposed to membership of the Group itself - would not fulfil this public interest need?

Please note that we are likely to send your reply and related enclosures to the complainant for comments. If you wish to submit documents or information that you consider to be confidential, and which should not be disclosed to the complainant, please include them in a separate annex marked 'Confidential'. Please feel free, if this would be helpful, to contact our case handler beforehand, Dr Antonios Antoniadis, 0032 2 2831550, antonios.antoniadis@ombudsman.europa.eu.

I would be grateful to receive your reply by the end of September 2017.

Yours sincerely,

Emily O'Reilly
European Ombudsman

Enclosure:

The complainant's comments of 11 May 2017