

THE ETHICS COMMITTEE  
[ECB/EC/19/7]

**ECB-PUBLIC**  
(TRANSMITTED ON 31 JULY 2019)

To the ECB President

**Subject: Notification of envisaged non-remunerated post-employment activity –  
Ethics Committee Opinion**

Dear Mr President,

The ECB Ethics Committee has assessed a request for an opinion received<sup>1</sup> from Mr Ewald Nowotny, member of the ECB Governing Council and Governor of the Oesterreichische Nationalbank, concerning his intention to engage in a gainful occupational activity as Adviser to the Chairman of the Supervisory Board of an Austrian credit institution directly supervised by the ECB, after the end of his term and on whether the applicable cooling-off period could be shortened.

The Ethics Committee notes that the provisions of the Single Code stipulate that Governing Council members may engage in a gainful occupational activity with a credit institution or with a counterpart to the Eurosystem in monetary policy or foreign exchange operations after the expiry of a period of one year from the end of their term of office.

However, the Ethics Committee did consider<sup>2</sup> whether there are circumstances that would justify a reduction of the cooling-off period. The Ethics Committee took into account the specificities of the envisaged role, i.e. that Mr Nowotny would not become a member of the Supervisory Board itself but fulfil the role of a (part-time) Adviser to the Chair of the Bank's Supervisory Board (i.e. the non-executive body). Moreover, Mr Nowotny's responsibilities would consist of advising on economic and political developments in Austria and not on banking matters. Against that backdrop, the Ethics Committee would see a case for a minimal reduction of the cooling-off period from one year to nine months - which in its views sufficiently mitigates possible conflict of interest and "revolving doors" concerns.

The above assessment applies exclusively to Mr Nowotny's role as member of the Governing Council and is without prejudice to the application of potentially stricter national rules which may apply to him by virtue of his functions at the Oesterreichische Nationalbank.

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<sup>1</sup> In line with Articles 17.1 and 17.3 of the Code Conduct for High-level ECB Officials (Single Code).

<sup>2</sup> In line with Article 17.3 of the Code Conduct for High-level ECB Officials (Single Code).

For the sake of completeness it is noted that in line with Article 17.4 Single Code, an appropriate level of compensation should be paid to Mr Nowotny by his NCB – in relation to his role with the ECB Governing Council – from the end of his term with Oesterreichische Nationalbank until the end of his cooling-off period.

With best regards,

Chair of the ECB Ethics Committee (Jean-Claude Trichet)