

THE ETHICS COMMITTEE  
[ECB/EC/19/9]

**ECB-PUBLIC**  
(TRANSMITTED 24 OCTOBER 2019)

To the ECB President

**Subject: New post-employment activity – Ethics Committee Opinion**

Dear Madame President,

The ECB Ethics Committee has assessed a notification<sup>1</sup> from the former member of the Governing Council and the Executive Board, Mr Peter Praet, concerning his intention to set up a private company having the objective of delivering speeches with immediate effect and providing macroeconomic advice to financial firms after the end of the respective cooling-off period.

As to the delivery of speeches, the Ethics Committee notes that the Single Code is silent on this question. Still, it would see merit in former high-level officials exercising judgment in accepting such engagements in the first months after the end of their term of office.

In assessing Mr Praet's intention to provide macroeconomic advice to financial firms, the Ethics Committee took into account that he will neither join a supervised credit institution nor another financial institution, i.e. not entering into an employment relationship<sup>2</sup>. A contrario, Mr Praet intends to provide consultancy services to such institutions – a constellation to be subsumed under Article 17.1(c). Hence, the Ethics Committee wishes to clarify that the Single Code requires Governing Council and Executive Board members to abstain from any gainful occupational activity for a period of six months from the end of their term of office when providing consultancy services to supervised credit institutions or any other financial institution. Therefore, a six months cooling-off period is applicable to Mr Praet.

Moreover, the Ethics Committee did consider whether there are circumstances that would justify a reduction of the respective cooling-off periods and concluded that such cooling-off period that is applicable to Mr Praet for the provision of macroeconomic advice to financial firms is appropriate to sufficiently mitigate possible conflict of interest concerns.

For the sake of completeness, the Ethics Committee deems it important to remind Mr Praet of his professional secrecy obligations applying beyond his term as member of the Governing Council and the

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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 Articles 17.1 (a) and (b) of the Single Code.

Executive Board<sup>3</sup> and of his duty to notify any new occupational activity for a period of two years from the end of his term.

With best regards,

Chair of the ECB Ethics Committee (Patrick Honohan)

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<sup>3</sup> In line with Article 339 of the Treaty on the Functioning of the European Union, Article 37 of the Statute of the European System of Central Banks and of the European Central Bank and Article 4 of the Single Code.