

ΕΒΡΟΠΕΪΣΚΑ ΣΜΕΤΗΑ ΠΑΛΑΤΑ
TRIBUNAL DE CUENTAS EUROPEO
EVROPSKÝ ÚČETNÍ DVŮR
DEN EUROÆISKE REVISIONSRET
EUROPÄISCHER RECHNUNGSHOF
EUROOPA KONTROLLIKODA
ΕΥΡΩΠΑΪΚΟ ΕΛΕΓΚΤΙΚΟ ΣΥΝΕΔΡΙΟ
EUROPEAN COURT OF AUDITORS
COUR DES COMPTES EUROPÉENNE
CÚIRT INIÚCHÓIRÍ NA HEORPA



CORTE DEI CONTI EUROPEA
EIROPAS REVĪZIJAS PALĀTA
EUROPOS AUDITO RŪMAI

EURÓPAI SZÁMVEVŐSZÉK
IL-QORTI EWROPEA TAL-AWDITURI
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EUROOPAN TILINTARKASTUSTUOMIOISTUIN
EUROPEISKA REVISIONSRÄTTEN

Ethical guidelines for the European Court of Auditors

Adopted by the European Court of Auditors on 20 October 2011.

Preface

The European Court of Auditors has adopted the following mission statement:

Mission of the European Court of Auditors

The European Court of Auditors is the EU Institution established by the Treaty to carry out the audit of EU finances. As the EU's external auditor it contributes to improving EU financial management and acts as the independent guardian of the financial interests of the citizens of the Union.

The Court renders audit services through which it assesses the collection and spending of EU funds. It examines whether financial operations have been properly recorded and disclosed, legally and regularly executed and managed so as to ensure economy, efficiency and effectiveness. The Court communicates the results of its audits in clear, relevant and objective reports. It also provides its opinion on financial management issues.

The Court promotes accountability and transparency and assists the European Parliament and Council in overseeing the implementation of the EU budget, particularly during the discharge procedure. The Court is committed to being an efficient organisation at the forefront of developments in public audit and administration.

To achieve this mission, the Court should be and also be perceived as an objective, independent and professional institution in which its stakeholders can have full confidence. To this end, the Court has adopted the requirements established by the INTOSAI Code of Ethics (ISSAI 30) and is now issuing a set of Ethical Guidelines.

The Ethical Guidelines are intended to help us ensure that our daily decisions, both in auditing and in running the institution, comply with the principles laid down by the INTOSAI Code. They are based on our values: independence, integrity, impartiality, professionalism, adding value, excellence and efficiency. They apply to all Court personnel: Members¹, managers, auditors and staff in administrative functions. Lastly, they embrace the relevant provisions contained in the Treaty² and in the Staff Regulations³ as well as the principles of good administrative conduct.

Failure to respect ethical principles may constitute dereliction of duty and result in the opening of disciplinary procedures.

This document sets out guiding principles. Nevertheless, it is our own individual responsibility to choose the solution best suited to each specific ethical challenge: since there is not always a set reply for each question, you are encouraged to apply common sense and to talk openly to superiors and colleagues. Members and managers have a special responsibility in ethical matters since, through their example, they have a major influence on the culture of the organisation, and they therefore have to be particularly attentive.

Luxembourg, October 2011

Vítor Caldeira

President of the European Court of Auditors

¹ In the case of the Members, additional ethical requirements are contained in the Treaty, the Court's Rules of Procedure and the Code of Conduct for Members.

² Articles 285 and 286 of the Treaty on the Functioning of the European Union.

³ Articles 11, 11a and 12 of the Staff Regulations.

1. Trust, confidence and credibility⁴

Be aware of and act in accordance with the Court's ethical requirements. Seek advice on ethical matters where necessary.

1.1. These guidelines shall be applicable at the European Court of Auditors. In the case of Members, ethical requirements are also established by the Treaty, the Court's Rules of Procedure and the Code of Conduct for Members. In the case of staff, ethical requirements are also set up by the Staff Regulations.

1.2. We shall contribute to instilling trust, confidence and credibility into the Court's stakeholders, auditees and the European Union's citizens. To this end we shall behave in an ethical manner and avoid any circumstances that might undermine the Court. This continues to apply after we have left the Court.

1.3. We shall familiarise ourselves with the Court's ethical requirements. However, in the ethical matters there is no set answer for each question and when one is too close to a situation it may be more difficult to take good decisions. In case of doubt, it is good to be open to considering ethical matters from more than one perspective: we shall talk to superiors or to other colleagues.

2. Integrity⁵

Show integrity and due care in the performance of your duties.

2.1. We shall apply the Court Audit Policy and Standards, the audit manuals and any other audit procedure adopted by the Court and inform superiors of any potential deviation from these principles.

2.2. We shall manage the Court's resources in a legal, regular and sound financial manner. The Court should act as a role model in financial management: its resources must be managed in full compliance with the Financial Regulation and with any other applicable rule; its objectives must be achieved in an economic, efficient and effective manner.

3. Independence, objectivity and impartiality⁶

Behave in a manner that promotes confidence in the Court's independence, objectivity and impartiality.

3.1. It is vital that our independence, objectivity and impartiality be beyond question. In our work, we should refrain from being involved in professional matters in which we have a

⁴ INTOSAI Code of Ethics, paragraphs 7-11.

⁵ INTOSAI Code of Ethics, paragraphs 12-13.

⁶ INTOSAI Code of Ethics, paragraphs 14-26.

personal interest. In case of doubt, inform your superior, who shall take the necessary steps to solve the situation.

3.2. We shall carry out our tasks without any political, national or other external influence.

3.3. We shall avoid any conflict of interest, whether real or apparent. This might be the case, for example, in connection with membership of political organisations, political office, membership of boards and financial interest in audited entities. We shall be particularly attentive to such matters and how they might be perceived by third parties.

3.4. We shall not have any connection with the audited entity that might impair our independence. Matters that could affect independence include family and/or personal relationships with staff in the audited entity that could influence the results of our work. Before the auditing assignment is carried out, we should assess the potential impact of such relationships and inform our superior; to this end, the Court has put in place an annual confirmation procedure⁷.

3.5. We shall not audit the same area over too long a period of time; to this end, the Court has put in place a mobility scheme⁸.

3.6. If we have been recruited from an audited entity we should not be assigned tasks that might call into question our impartiality vis-à-vis our former employer. If we are seeking or are offered a position in an audited entity we shall avoid any circumstances that might impair our independence. In this case, we must immediately inform our superior, who should assess the situation and take any steps considered necessary. Managers have a particular responsibility to follow up such cases.

3.7. We shall only carry out external activities within the framework laid down by the Staff Regulations and always bearing in mind our duty of loyalty to the Court. We shall refrain from carrying out any activity that could harm the Court's reputation, cast doubt on our impartiality or interfere with our work.

3.8. We shall not accept, either for ourselves or on behalf of others, gifts or other benefits that might influence, are intended to influence or could be perceived as influencing our work⁹. However, in a professional context (e.g. conferences, audit visits, receiving visitors, etc.), we may accept hospitality or accept small gifts which, in value and in nature, are considered within normal courtesy.

3.9. In such cases, we shall first consider whether accepting the gift or benefit might influence our impartiality or be detrimental to confidence in the Court. In case of doubt we shall talk to superiors. Any accepted invitations for breakfast, lunches or dinners –in the framework of a mission- should be stated in the mission cost declaration¹⁰.

⁷ See Court Decision No 36-2011.

⁸ See Court Decision No 14-2010.

⁹ Staff Regulations, Article 11.

¹⁰ See Mission Guidelines.

4. Professional secrecy¹¹

We have a duty of confidentiality in relation to our work¹². This duty should not curtail individual freedom of expression.

4.1. We have access to a great deal of information about audited entities and it is essential to ensure a relationship of trust with them. To this end, and pursuant to the Staff Regulations, when joining the Court we signed a declaration of confidentiality which we should respect.

4.2. We shall avoid disclosing any information we have acquired in the course of our work to third parties, except in the framework of the Court's procedures or in accordance with relevant regulations.

4.3. We shall respect the principles of security of information and the provisions laid down in Regulation 45/2001 on the protection of personal data. In case of doubt, we should not hesitate to contact the Court's Data Protection Officer.

4.4. The Court promotes internal openness and we have a fundamental right to express our opinion and to report matters with a view to helping to improve the Court's performance. This right is guaranteed by the Staff Regulations and should be guided by a duty of loyalty to the institution¹³. The duty of confidentiality continues to apply after we have left the Court.

5. Competence and further professional training¹⁴

Act always in a professional manner and comply with high professional standards.

5.1. To carry out our duties in a competent and impartial manner, we shall know and apply the relevant legal and operative procedures. In particular, if we are auditors, we shall apply the Court Audit Policy and Standards, and the INTOSAI and IFAC professional standards and relevant audit methods. We shall not undertake work we are not competent to perform. We shall develop our professional skills and follow training courses.

5.2. Members and managers have a particular responsibility for ensuring that staff receive training in the interest of the service. An individual's skill development needs shall be addressed in the staff performance appraisal system.

¹¹ INTOSAI Code of Ethics, paragraph 27.

¹² Staff Regulations, Article 17.

¹³ Staff Regulations, Article 17a, and Court Decision No 7-2010.

¹⁴ INTOSAI Code of Ethics, paragraphs 28-33.

6. An excellent and efficient organisation

Contribute to the development of the Court as an excellent and efficient organisation.

6.1. A good working environment is essential both to achieve the Court's objectives and to ensure staff satisfaction. We shall contribute to this goal by fostering professional and personal cooperation: be open and willing to share knowledge and help our colleagues from all the Court's departments. Members and managers have a particular responsibility for facilitating a good working environment.

6.2. We shall avoid any form of discrimination and contribute to implementing a policy of equal opportunities for all staff. Members and managers shall take steps to ensure that all staff are given equal treatment and equal opportunities in their professional development. Individual staff's skills and potential shall be taken into consideration when responsibilities are assigned. Close relationships between employees can make it difficult to adhere to the equal treatment principle; therefore, spouses and partners shall avoid working in the same department or working under a hierarchical relationship.

6.3. We shall behave in a respectful manner to others, avoid any attitude that might offend their dignity and refrain from any form of harassment¹⁵. We shall also show respect for the opinions of others and accept reasonable disagreement in their work. Feedback must be given in a respectful, fair and constructive manner.

6.4. We shall act in accordance with the Court's interests. This entails no obligation to follow orders to do anything illegal or unethical¹⁶. Before a decision is taken, we shall state our views in a constructive manner; once a decision has been taken, we shall implement it in an effective manner.

6.5. The Members and the management shall ensure that the staff's interests are safeguarded. They bear special responsibility for helping to protect staff who disclose and report wrongdoing in the terms stated in the Staff Regulations¹⁷.

6.6. We are required to report to our superiors any circumstances of which we are aware that might cause any harm to the Court or to any staff. Such action should always be taken on the basis of reasonable grounds, in good faith and in a confidential manner.

6.7. We shall contribute to implementing the Court's policy of open internal and external communication. Openness has a positive effect on cooperation. Relevant information must be shared with others: we shall be aware of what information we hold and who may need it in their work. Information sharing must be balanced against the duty of confidentiality, but should not be limited more than strictly necessary.

6.8. We shall also seek the opinion and professional assessment of others.

¹⁵ Staff Regulations, Article 12a. See Court Decisions 61-2006 & 95-2008.

¹⁶ Staff Regulations, Article 21.

¹⁷ Staff Regulations, Articles 22a and 22b.

7. Good administrative conduct

Apply the principles of good administrative conduct.

7.1. We shall undertake to serve the interests of the European Union's citizens, who expect quality audit services and an accessible administration.

7.2. In dealing with the public we shall show commitment, ability, courtesy and helpfulness.

7.3. We shall reply to requests for information on matters which concern us or, for other matters, direct the requester to the responsible person.

7.4. When receiving a request, we should immediately send an acknowledgement of receipt, stating the information needed for contacting the person responsible for dealing with the matter (name, e-mail address, telephone number). We shall reply promptly to any request, in principle within fifteen working days, and in the language used by the requester (provided that it is an official language of the European Union). If we are unable to reply within this deadline, we should send a provisional reply indicating a reasonable time-limit for replying.

7.5. Before sending any information we shall check whether it has already been made public by the Court¹⁸. If that is not the case, we shall direct the request to the Court's department in charge of communication. Any refusal of information to the public must be justified on the basis of potential harm to the interest of the institutions.

7.6. Staff must direct any request from a journalist to the Court's press relations department. Members will keep the press relations department informed of their press contacts.

7.7. We shall accept requests made by post, e-mail, fax or telephone. We may also reply by any of those means but always taking into consideration any potential legal implication of the reply (e.g. statutory deadlines, evidence or receipt of the reply, etc.).

7.8. We shall always be prudent when sending information outside the Court; we shall not hesitate to consult superiors and the Court's department in charge of communication.

7.9. We must immediately notify any decision which affects the rights and interest of individuals in writing (e.g. staff matters like promotions, appointments, financial rights, etc.); first of all, to the persons directly concerned. The communication should indicate the possibilities for challenging the decision, the bodies to appeal to and the deadlines by which this must be done (in particular, the judicial bodies and the Ombudsman).

7.10. In the case of improper requests for information or complaints (e.g. repetitive, lack of sense, drafted in a rude manner, etc.), we shall reject them in polite but firm terms, always providing appropriate justification. Court staff must always refrain from making abusive complaints.

¹⁸ Public access to Court documents are governed by Court Decisions 12-2005 & 14-2009.