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DECISION OF THE EUROPEAN COMMISSION

**on former Commissioner Karmenu Vella's post term of office professional activity as
Co-Chair of Weave Consulting's 'Network of Business Leaders to drive the
Sustainability Agenda'**

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on European Union,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to the Treaty establishing the European Atomic Energy Community,

Having regard to the Commission Decision of 31 January 2018 (C(2018) 700 final) on a Code of Conduct for the Members of the European Commission, and in particular Article 11(3) thereof,

Whereas:

- 1) According to Article 245(2) of the Treaty on the Functioning of the European Union, the Members of the Commission, when entering upon their duties, shall give a solemn undertaking that, both during and after their term of office, they will respect the obligations arising therefrom and, in particular, their duty to behave with integrity and discretion as regards the acceptance, after they have ceased to hold office, of certain appointments or benefits.
- 2) Article 339 of the Treaty on the Functioning of the European Union provides that the Members of the institutions of the Union shall be required, even after their duties have ceased, not to disclose information of any kind covered by the obligation of professional secrecy, in particular information about undertakings, their business relations or their cost components.
- 3) Article 11 of the Code of Conduct for the Members of the European Commission establishes a specific procedure for the assessment of planned professional activities which the Members or former Members of the Commission intend to take up after they have ceased to hold office. The Commission shall examine the information provided in order to determine whether the nature of the planned activity is compatible with Article 245 of the Treaty on the Functioning of the European Union. If the planned activity is related to the portfolio of the Member or former Member, the Commission shall decide only after having consulted the Independent Ethical Committee unless the planned activity falls within the exceptions foreseen in paragraph 3, second subparagraph, lit. (a) to (f).
- 4) On 18 April 2020, Former Commissioner Karmenu Vella notified the Commission about his intention to engage in a post term of office activity as co-chair of Weave

Consulting's 'Network of Business Leaders to drive the Sustainability Agenda'. On 7 May, the Secretariat-General of the Commission wrote to Mr Vella, asking him to provide more information on the scope of his envisaged activity. The requested information aimed at enabling the Commission to ascertain to which extent there was a link with his former Commission portfolio on Environment, Maritime Affairs and Fisheries and to know if his activity would involve any direct or indirect contacts with the Commission or other EU institutions. In response, Mr Vella provided additional information.

- 5) In view of the nature of the activities of Weave Consulting, which is an auditing and consulting company based in Malta focused on helping business leaders identify how to best implement corporate social responsibility principles, and based on the available information, a relevant link between Mr Vella's future assignment for Weave Consulting and his former Commission portfolio on the Environment, Maritime Affairs and Fisheries could not be ruled out.
- 6) On 30 June 2020, the Commission consulted the Independent Ethical Committee on the compatibility of Former Commissioner Vella's activity as Co-Chair of Weave Consulting's 'Network of Business Leaders to drive the Sustainability Agenda' with Article 245 of the Treaty on the Functioning of the European Union.
- 7) The Committee delivered its opinion on 13 July 2020. The Committee examined first the nature of Weave Consulting, its organisation, its planned 'Network of Business Leaders', the scope of Former Commissioner Vella's position and possible links between Weave Consulting and the European Commission.
- 8) The Committee noted that, according to the information publicly available, Weave Consulting was a consultancy firm established in Malta in 2007. Originally, it focused on the topics of equality and diversity and provided consultancy services related to these fields. It evolved over the years "to offer Corporate Social Responsibility (CSR) services, particularly CSR audits" and has "recently been re-launched following a rebranding exercise and the development of a new business proposition to its clients - CSR auditing and consultancy".
- 9) As underlined by the Committee, Weave Consulting is a Private Limited Company under Maltese law and appears to perform audit and consultancy services in relation to Corporate Social Responsibility in order to "help business leaders identify how and where to implement CSR initiatives". Consequently, Weave Consulting's declared goal is twofold: first, the company aims to "help business leaders transform their companies in order to operate in a more sustainable and ethical manner, while increasing profitability and leaving a positive impact on the community"; second, Weave Consulting aims to help businesses "incorporate social and environmental considerations in decision-making and be accountable for their impacts".
- 10) The Committee furthermore noted that Weave Consulting refers to the Sustainable Development Goals of the United Nations as inspiration for its work. The Sustainable Development Goals cover a wide range of social and economic development issues, including poverty, health, education, climate change, gender equality, energy, environment and social justice. Weave Consulting also refers to the UN Business and Human Rights Framework, which is a global instrument for preventing and addressing the risk of human rights impacts linked to business activity.

- 11) In addition to its focus on CSR auditing and consulting services, Weave Consulting also offers other services in the field of diversity management, gender mainstreaming, training, research and EU funding.
- 12) The Committee examined in particular the nature of Weave Consulting's planned "Network of Business Leaders to drive the Sustainability Agenda", which has been set up in view of the United Nations Global Compact. The strategy of the UN Global Compact is to drive business awareness and action in support of achieving the Sustainable Development Goals by 2030, leading businesses to align their strategies and operations with universal principles on human rights, labour, environment and anti-corruption.
- 13) The Committee noted that, according to Former Commissioner Vella, Weave Consulting's initiative is still in a development phase, notably in view of possible links with the UN Global Compact. According to this information, Weave Consulting intends to set up a network of "forward-thinking business leaders" with the aim to "provide professional support to develop effective social responsibility and sustainable development solutions within their organisation, whilst contributing to the common good".
- 14) The declared aim of Weave Consulting's "Network of Business Leaders" is threefold: first, to "build awareness amongst key players within the business community about the key role they can play in contributing towards the achievement of the sustainable development goals"; second, to "engage these players to commit towards voluntary commitments"; and third, to "create a forum to exchange tools, resources, methodologies, ideas and good practices".
- 15) On Former Commissioner Vella's position as Co-Chair of the "Network of Business Leaders to drive the Sustainability Agenda", the Committee underlined in particular that the position does not offer any honoraria at this stage, noting however that this situation might change in the future.
- 16) Finally, as regards Weave Consulting's relation with the Commission, the Committee noted that the European Commission's Financial Transparency System does not show any financial commitments towards Weave Consulting and that Weave Consulting is not registered in the Joint Transparency Register of the European Parliament and the Commission. The Committee incidentally noted that, from 2014 to 2017, Weave Consulting conducted a study under a framework contract with the European Institute for Gender Equality, entitled "Collection of information and provision of research related services".
- 17) On this basis, the Committee assessed the compatibility of the envisaged position against the framework of the applicable legal context.
- 18) First, and in line with previous opinions, the Committee noted that the Members of the Commission have a right to engage in work and to pursue a freely chosen or accepted occupation after the term of their office, yet knowing that this right needed to be balanced with the obligations set out in Article 245 TFEU and the Code of Conduct for the Members of the European Commission.

- 19) More precisely on Former Commissioner Vella's envisaged activity, the Committee noted that Mr Vella would accept the position without remuneration at the moment. His role would consist of promoting corporate social responsibility and sustainable development principles within the business community in Malta and on participating in creating a forum to exchange tools, ideas and good practices.
- 20) The Committee considered that Mr Vella's expected tasks as such would not be related directly to his former portfolio and would not seem to require normally any interaction with the Commission.
- 21) Based on the available information, the Committee did not see any particular risk of incompatibility with Article 245 TFEU as long as Former Commissioner Vella would respect the general obligations, which apply to former Members of the Commission.
- 22) The Committee noted nonetheless that the Commission decision should recall the importance to respect Article 339 of the Treaty on the Functioning of the European Union and to comply with the duties of collegiality and discretion, as laid down in Article 11(1) and Article 5 of the Code, with respect to the Commission's decisions and activities during Former Commissioner Vella's term of office. This would include not only refraining from disclosing what was said at meetings of the Commission, but also a general duty to apply a high sense of discretion with regard to the use of information and insights that Former Commissioner Vella obtained during his mandate, be it within his portfolio responsibilities or within the College.
- 23) The Committee noted furthermore that the Commission should recall the general prohibition resulting from Article 11(4) of the Code of Conduct to lobby Members of the Commission or Commission staff on behalf of the "Network of Business Leaders" and of Weave Consulting on matters for which he was responsible, for a period of two years after ceasing to hold office. The Committee noted that this would be particularly important in relation to any possible activity of Weave Consulting with regard to obtaining EU funding.
- 24) Finally, the Committee underlined the fact that the initiative to set up a "Network of Business Leaders" in Malta by Weave Consulting was only in its development phase. There was no proper activity yet and the initiative might evolve over time. Therefore, the Committee recommended that the Commission should ask Former Commissioner Vella to provide updated information on this envisaged activity in six months in order to evaluate the activity and its compatibility with Article 245 TFEU again, based on more precise information. This information should notably include details on the activity of the network and of the Co-Chairs, the name and nature of members / member organisations as well as any plans for the future.
- 25) Based on the information currently available, the Committee considered that the envisaged activity would be compatible with Article 245 of the Treaty on the Functioning of the European Union, subject to a further evaluation to be carried out as suggested by the Committee.
- 26) The Commission has considered the Committee's opinion and shares its conclusions.

HAS DECIDED AS FOLLOWS:

Article 1

Former Commissioner Karmenu Vella's envisaged activity as Co-Chair of Weave Consulting's 'Network of Business Leaders to drive the Sustainability Agenda' is compatible with Article 245(2) of the Treaty on the Functioning of the European Union, subject to the respect, by Mr Vella, of all the general obligations which apply to the former Members of the Commission and, in particular, subject to the following conditions and restrictions:

- In line with Article 11(1), in conjunction with Article 5, of the Code of Conduct for the Members of the Commission, Former Commissioner Vella remains bound by the duties of collegiality and discretion with respect to the Commission's decisions and activities during his term of office. This includes not only refraining from disclosing what was said at meetings of the Commission but also a general duty to apply a high sense of discretion with regard to the use of information and insights that he has obtained during his mandate, be it within his portfolio responsibilities or within the College;
- In accordance with Article 11(4) of the Code of Conduct for the Members of the Commission, during a period of two years following his term of office, Former Commissioner Vella shall refrain from lobbying the Members of the Commission or Commission staff on behalf of the "Network of Business Leaders" and of Weave Consulting on matters for which he was responsible during his mandate and in particular in relation to any possible activity of Weave Consulting with regard to obtaining EU funding;
- In accordance with Article 339 of the Treaty on the Functioning of the European Union, Former Commissioner Vella shall refrain from participating in any activity or decision-making procedure within Weave Consulting which might involve using information of the kind covered by the obligation of professional secrecy regarding, in particular, undertakings, their business relations or their cost components;
- Former Commissioner Vella shall provide updated information on his activity in January 2021, in order to allow the Commission to re-evaluate the compatibility of his activity with Article 245 of the Treaty on the Functioning of the European Union. The information to be provided shall notably include details on the activity of the network and of the Co-Chairs, the name and nature of members / member organisations as well as any plans for the future of the network.

Done at Brussels, on 24 July 2020.

The President
Ursula von der Leyen