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**DECISION OF THE EUROPEAN COMMISSION**

**on Vice-President Jyrki Katainen's post term of office professional activity as President  
of the Finnish Innovation Fund SITRA**

## DECISION OF THE EUROPEAN COMMISSION

### on Vice-President Jyrki Katainen's post term of office professional activity as President of the Finnish Innovation Fund SITRA

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,

Considering that:

- 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 subparagraphs 3 (a) to (f).
- 4) By letter of 25 May 2019, Vice-President Katainen informed the President of the Commission about his intention to apply for the position of President of the Finnish Innovation Fund SITRA, knowing that this post would be vacant from 1 January 2020 onwards and that SITRA's Supervisory Board would take the appointment decision in September 2019.

- 5) SITRA is an independent public foundation established by law in 1967. It operates under the supervision of the Finnish Parliament. It aims to promote stable and balanced development in Finland, qualitative and quantitative economic growth and cooperation by means of supporting projects that increase the efficiency of the economy, improve the level of education and research or study future development scenarios.
- 6) SITRA is funded by profits of its endowment capital. According to its publicly available annual report and financial statements 2018, the market value of SITRA's endowment capital was EUR 776 million at the end of 2018. The total allocation of SITRA's endowment capital consisted of shares (49%), fixed income instruments (37%) and other investments (14%). The yield from invested assets was +7.7% in 2017 and -3.9% in 2018. Its annual budget is EUR 30 million to EUR 40 million.
- 7) The President's function in SITRA is the highest management function in the organisation. It includes overseeing the operations, managing the administration of the foundation and developing its operations in line with the instructions and stipulations provided by the Supervisory Board and the Board of Directors. This includes the activities of SITRA as a think tank and public change agent as well as the investment activity.
- 8) The Supervisory Board is exclusively composed of Members of the Finnish Parliament. The Board of Directors consists of six members, including the President and the Permanent Secretaries of the Ministry of Finance, the Ministry of Economic Affairs and Employment, and the Ministry of Education and Culture.
- 9) The responsibilities of Vice-President Katainen in charge of jobs, growth, investment and competitiveness as defined in his mission letter are broad and relate to most of SITRA's activities.
- 10) The Independent Ethical Committee was consulted on 29 May 2019 both on the situation arising from Vice-President Katainen's candidacy with SITRA while still in office and on the compatibility of his possible post term of office activity with Article 245 of the Treaty on the Functioning of the European Union. The Committee delivered its opinion on 17 June 2019.
- 11) On 10 July 2019, taking into account the Committee's opinion, the President of the European Commission adopted a Decision stipulating the appropriate measures to be implemented during the remainder of Vice-President Katainen's mandate, aiming at preventing and addressing real, potential or reasonably perceived conflicts of interest in the context of his application for the position of President of SITRA (C(2019) 5202).
- 12) As concerns the compatibility of Vice-President Katainen's future post term of office activity with Article 245 of the Treaty on the Functioning of the European Union, the Committee considered 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, while noting that this right needs to be balanced with the obligations set out in Article 17(3) TEU, Article 245 TFEU and the Code of Conduct for the Members of the Commission.

- 13) The Committee acknowledged that SITRA is a public body of a Member State of the European Union, has been established by law, is under close public supervision by the Finnish Parliament and pursues objectives of general interest, which are largely in line with objectives of the European Union and the Commission.
- 14) The Committee considered therefore that there were no impediments to Vice-President Katainen's acceptance of the function of President of SITRA after his term of office, provided certain conditions / restrictions were established to avoid undue influence on the decision-making of the Commission and to exclude that market operators which are, or could be, affected by SITRA's investment projects or decisions have a benefit or disadvantage from the Vice-President's responsibilities or status as former Member of the Commission.
- 15) On 20 September 2019, Vice-President Katainen informed the President of the Commission that the Supervisory Board of SITRA had appointed him as President of SITRA as of 1 January 2020 and that he intended to accept this invitation subject to an authorization by the Commission.
- 16) Pursuant to Article 11(3) of the Code of Conduct for the Members of the Commission, the Commission asked the Independent Ethical Committee on 27 September 2019 whether it would confirm its opinion of 17 June 2019 or intend to amend it. On 2 October 2019, the Committee confirmed its opinion.

HAS DECIDED AS FOLLOWS:

*Article 1*

Vice-President Jyrki Katainen's envisaged post term of office activity as President of the Finnish Innovation Fund SITRA is compatible with Article 245(2) of the Treaty on the Functioning of the European Union on the condition that he:

- respects in all circumstances the obligations of integrity and discretion and protects the collegiality and confidentiality of the matters dealt with by the Commission during his terms of office;
- does not lobby the Members of the Commission or their staff on behalf of SITRA on matters for which he was responsible within his portfolio on jobs, growth, investment and competitiveness, for a period of two years after ceasing to hold office;
- does not lobby the European Investment Bank and the European Investment Fund or the European Bank for Reconstruction and Development on investment decisions for a period of two years after ceasing to hold office, without prejudice to the possibility to participate in public events with representatives from the above-mentioned bodies or to exchange and discuss publicly available information;

- does not use any internal information or insights acquired during his mandates as Member of the European Commission for specific investment decisions of SITRA, including divestments;
- does not disclose or use information of the kind covered by the obligation of professional secrecy, in particular information about undertakings, their business relations or their cost components, in accordance with Article 339 of the Treaty on the Functioning of the European Union.

Done at Brussels, on 30 October 2019.

*The President*  
*Jean-Claude Juncker*