

Christine LAGARDE  
President

(TRANSMITTED ON 6 MARCH 2020)

Mr Ardo Hansson  
Former member of the ECB Governing Council  
Former Governor of Eesti Pank

**Subject: Notification of envisaged post-employment activity – Governing Council Letter**

Dear Ardo,

I refer to your correspondence, dated 13 February and 18 February 2020, by which you notified your intention to take up the positions of (i) (non-executive) member of the Supervisory Board of Coop Pank AS, a less significant Estonian credit institution; (ii) part-time visiting Professor or Adjunct Professor at Estonian universities; and (iii) a project-based consultant for a (public) International Financial Institution (a multilateral development bank). Furthermore, you are also seeking pre-approval from the Governing Council for similar public sector consulting engagements for the remainder of the two-year notification period on the grounds that such opportunities tend to arise suddenly and usually require a quick response.

Having obtained and considered the opinion of the Ethics Committee, I should like to inform you that the members of the Governing Council share the view that as to the prospective role as (non-executive) member of the Supervisory Board of the less significant Estonian credit institution, Coop Pank AS, the Single Code foresees a one-year cooling-off period for such gainful occupational activity. Hence, your intention to take on this position only as of June 2020, i.e. one year from the end of your term as member of the Governing Council, is fully compatible with the provisions of the Single Code and moreover the Governing Council does not see a case for extending the cooling-off period beyond the standard one-year period.

Regarding the prospective roles as part-time visiting Professor or Adjunct Professor at Estonian universities and as a project-based consultant for the International Financial Institution, the members of the Governing Council consider that such types of prospective occupational activities do not raise and could not be perceived to raise conflict of interest concerns given their academic and public sector nature, respectively. Therefore, no cooling-off period is required for either activity.

In relation to your request for pre-approval of similar consulting engagements for the remainder of the two-year notification period, the Single Code does not foresee such possibility. In fact, the Single Code requires high-level officials to notify each intended gainful occupational activity. Nevertheless, the

members of the Governing Council share the view that pre-approval could be considered feasible upon the explicit request of a high-level official, if the prospective occupational activities relate to entities such as the International Monetary Fund, the World Bank Group, the European Commission, the Organisation for Economic Cooperation and Development or EU central banks, are sufficiently well defined, their nature cannot reasonably be expected to raise any integrity or conduct concerns and the activity is time-limited (i.e. not exceeding three months).

Against that backdrop and subject to the above criteria being met, the Governing Council accepts the principle of ex-ante approvals for time-limited roles in the public sector and applies it to your request. Still, I would ask you to continue notifying ex-ante each of such occupational activities – without it however triggering a formal assessment at the level of the Ethics Committee and the Governing Council – in addition to the obligation to include all of these pre-approved activities in the list of gainful occupational activities that needs to be provided under the Single Code on an annual basis.

For the sake of completeness, I should like to remind you of your professional secrecy obligations applying beyond your term as member of the Governing Council<sup>1</sup> and of your duty to notify any other new occupational activity for a period of two years from the end of your term.

This assessment applies exclusively to your role as a former member of the Governing Council and is without prejudice to the application of potentially stricter national rules which may apply to you by virtue of your previous functions at Eesti Pank.

With best regards,

ECB President (Christine Lagarde)

Cc: Mr Honohan, Chairman of the ECB Ethics Committee

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<sup>1</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.