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**CODE OF CONDUCT**

*Interest representation is a legitimate part of a democratic system.* The European Commission, in its effort to enhance public confidence has established a voluntary Register and adopted this Code of Conduct to bring more transparency to interest representation, its actors and their activities.

The present Code contains seven basic rules, specifying how interest representatives should behave when representing their interests. Registrants agree to abide by this Code or declare that they already abide by a professional code that has comparable rules.

“Interest representation” activities for which registration is expected are defined as “activities carried out with the objective of influencing the policy formulation and decision-making processes of the European institutions”.

This definition does not include:

- activities concerning legal and other professional advice, in so far as they relate to the exercise of the fundamental right to a fair trial of a client, including the right of defence in administrative proceedings, such as carried out by lawyers or by any other professionals involved therein;
- activities of the social partners as actors in the social dialogue (trade unions, employers associations, etc.). However, when such actors engage in activities falling outside the role conferred on them by the Treaties, they are expected to register in order to guarantee a level playing field between all the interests represented;
- activities in response to the Commission’s direct request, such as ad hoc or regular requests for factual information, data or expertise, invitations to public hearings, or participation in consultative committees or in any similar fora.

The Commission recognises that the mission of most organisations engaged in interest representation is wider than the activities for which registration is expected. They engage in activities such as the production of studies, statistics and other information and documentation as well as the provision of training and capacity building for members or clients which fall outside the scope of this definition if not related to activities of interest representation.
**PRINCIPLES**  

Interest representatives are expected to apply the principles of openness, transparency, honesty and integrity, as legitimately expected of them by citizens and other stakeholders.

Similarly, Members of the Commission and staff are bound by strict rules ensuring their impartiality. The relevant provisions are public and contained in the Treaty establishing the European Community, the Staff Regulations, the Code of Conduct for Commissioners and the Code of good administrative behaviour.

**RULES**  

Interest representatives shall always:

1. identify themselves by name and by the entity(ies) they work for or represent;
2. not misrepresent themselves as to the effect of registration to mislead third parties and/or EU staff;
3. declare the interests, and where applicable the clients or the members, which they represent;
4. ensure that, to the best of their knowledge, information which they provide is unbiased, complete, up-to-date and not misleading;
5. not obtain or try to obtain information, or any decision, dishonestly;
6. not induce EU staff to contravene rules and standards of behaviour applicable to them;
7. if employing former EU staff, respect their obligation to abide by the rules and confidentiality requirements which apply to them.
OTHER PROVISIONS

• Breaches of the Code. Registered entities are informed and agree that breaches of the above rules by their representatives may lead to suspension or exclusion from the Register following a Commission administrative process paying due respect to proportionality and the right of defence.

• Complaints. Registered entities are informed that anyone can lodge a complaint with the Commission, substantiated by material facts, about a suspected breach of the above rules.

• Publication of contributions and other documents. Registered entities are informed that their contributions to public consultations will be published on the internet together with the identity of the contributor, unless the contributor objects to publication of the personal data on grounds that such publication would harm his or her legitimate interests. The Commission may, upon request and subject to the provisions of Regulation (EC) No 1049/2001 on access to documents, have to disclose correspondence and other documents concerning the interest representatives’ activities.
**RULES OF PROCEDURE**

These rules of procedure apply to all staff members of Euromot and to all members of the Association dealing with EU Institutions on behalf of Euromot. The role of Euromot as a European Interest Representative will contribute to a healthy democratic process, acting as a link between the world of business and civil society and European policy-makers. The signatories to these rules as well as the employees of their association are all committed to abide by it, acting in an honest, responsible and courteous manner at all times and seeking to apply the highest professional standard.

In their dealings with the EU Institutions on behalf of Euromot, Euromot members and staff agree that they will adhere to the Code of Conduct for European Interest Representatives (as set out by the European Institutions). Specifically, they shall:

1. neither directly nor indirectly misrepresent links with EU institutions;
2. honour confidential information given to them;
3. neither directly nor indirectly offer nor give any financial inducement to:
   - any EU official nor
   - Member of the European Parliament, nor
   - their staff;
4. neither propose nor undertake any action which would constitute an improper influence on the persons identified in provision (3) above.

Pursuant to provision (3) of these rules, the signatories agree that they and all employees and members of their Association will be transparent about any support, whether financial or in terms of staff or material, provided to any EU official Member of the European Parliament, or their staff.
They agree that according to common European compliance standards allowances for travel and accommodation expenses granted to the aforementioned group of persons to participate in Euromot interest representation activities for which registration in the European Register is expected, (such as fact-finding trips, road shows, technology briefings or any other informative meeting) are commensurate and reasonable in the sense of appropriateness to the social class or management level of the EU official the Member of Parliament, or their staff. Any kind of remuneration or fee agreement is not acceptable.

**Compliance**

Euromot believes it is important that Euromot's activities are at all times carried out in accordance with the applicable law, especially competition law. Euromot believes that business shall be conducted in an atmosphere of free competition, i.e. on the basis of price and quality. Euromot recognises that competition law intends to stimulate free competition, something which has Euromot's full support. Euromot feels it is important to confirm this by adopting a Code of Conduct. This Code of Conduct shall be binding on all members as well as on other participants when taking part in activities of Euromot. The Code of Conduct aims at providing clear rules to Euromot's members, thus reducing the risk of improper conduct and consequently of fine being imposed.

The following rules* shall at all times be respected within Euromot:

* The following Code of Conduct was elaborated by the legal committee of ORGALIME and has been adopted by more than fifteen European associations. All rights reserved © ORGALIME - www.orgalime.org.
Meetings of a body, committee, working group or other form of cooperation within Euromot shall only take place after the members have been invited to the meeting in writing. The notice inviting to the meeting shall also include the agenda of the meeting.

Minutes shall be kept of each meeting as referred to in 1., above; these shall be sent to all members of the relevant body, committee, working group or other form of cooperation. The minutes shall be kept in an organised form for a period of at least 7-10 years.

Consultations and discussions in a body, committee, working group or other form of cooperation on the topics on the agenda and other topics, where these are related to the market (i.e. topics that may be of interest for the position and for determining the position of the individual members in competition), shall be limited to the official meeting, of which minutes will be kept.

During the consultations as referred to in 3., above, it shall not be decided to discuss certain topics during the meeting subject to the condition that this will not be recorded in the minutes. If such condition is stipulated the chairman of the meeting shall refuse to proceed to discuss the topic in question.

Each meeting of a body, committee, working group or other form of cooperation during which market-related topics are discussed, shall be attended by at least one staff member of the association. This staff member will monitor topics that are sensitive from a competition law point of view. If there are doubts about such sensitivities, the topic shall not be discussed until the advice of an expert in the field of competition law is obtained, and this advice is to the effect that the topic may be discussed without any objection, or until the limits to be observed during the discussion are clear.
A PROHIBITED TOPICS

The following topics are prohibited and out of bounds during meetings of bodies, committees, working groups or other forms of cooperation within Euromot, particularly as far as information on these topics is exchanged between companies which might be considered as competitors:

- Sale prices, rates, (intended) price adjustments, recommended prices, discounts, mark-ups and other price-related topics concerning products or services of member companies;
- Division/sharing of the market, e.g. by allocating a specific geographical area, specific customers or specific groups of customers to specific members;
- Restriction of production or sales;
- Pre-consultations with respect to responses to invitations to tender of potential clients;
- Charging on offer costs of competitors in one’s own offer;
- Exchanging market information by the individual members, i.e. information about production, turnover, sales, investments, divestments, R&D expenses and other information, as far as this is related to specific (categories of) products or services, that may be regarded as commercially sensitive information;
- Publishing of the average price or of the price bandwidth within the sector;
- Exclusivity for specific members to represent producers and importers;
- Boycotting specific suppliers or customers;
- Any other topic that could lead to coordination of market behaviour restricting competition.
- Pre-consultations between competitors when responding to invitations to tender (in tender procedures with both public and private purchasers);
- Agreeing that all competitors add a surcharge to their bid (which would then be used for “compensating” the bidding costs of those companies that would not win the tender).
The following topics might, under certain circumstances, present a problem from a competition law point of view, but especially in a highly concentrated, oligopolistic market (i.e. a market with only few players). This means that these topics shall at all times only be discussed within the context of Euromot in proper consultation with an expert in the field of competition law:

- General terms and conditions of sale and delivery. If these pertain to sensitive competitive parameters (e.g. prices, rates, manner of indexation, on-charging specific costs) or if the use of the conditions is mandatory, the competition authorities may object;

- Restrictions on participating in trade fairs. As a general rule, each company should be free to participate in any trade fair it likes and companies should not be asked to boycott any trade fair. Restrictions to this freedom to participate are only allowed under specific conditions. Collective bargaining by the members of Euromot to obtain a better price or other conditions from the trade fair organisation does not constitute a problem under competition law;

- Schemes for recognition/membership criteria. For as long as recognition or membership of Euromot does not play a decisive part for the potential customer when choosing a product or service, there are no objections to this from a competition law point of view. As soon as the customer does find this important, however, these schemes must satisfy specific criteria;

- The secretariat of Euromot is allowed, in principle, to collect commercial information about individual companies and to make this information available to the members in an aggregated manner. It must in any event be absolutely guaranteed that no information on individual companies can be deducted from this aggregate information. In some EU countries the national competition authorities will only allow such statistics systems if the collected information can be qualified as sufficiently historical, e.g. (depending on the circumstances) presenting data of at least one year before, and/or if the information is made publicly available.
The following topics constitute the core business of most of Euromot’s activities and discussions and consultations on these topics do normally not present any problem under competition law, provided that the topics mentioned under A and B are not touched upon:

- General cyclical economic data and business climate, as long as discussions on these topics do not relate to any individual company’s behaviour. These discussions focus on the macro level and do not affect any company’s behaviour in the market;
- Lobbying activities relating to general interests in the sector and concentrating on legislation and other public issues which may affect the sector;
- Labour law and social issues. These issues are considered to be irrelevant under competition law;
- Legal (legislative) issues. These issues are by definition of a general nature, as these will affect any company’s business to the same extent;
- Standardisation issues, if (i) the standard-setting procedure is transparent and open for participation by any interested party, (ii) there is no obligation to comply with the standard, (iii) access to the standard is provided on fair, reasonable and non-discriminatory terms, and (iv) any discussions within the standard-setting procedure are restricted to technical aspects. Standardisation is aimed at compatibility of products and at technical progress; this will normally be to the benefit of the end user;
- Safety and health issues. Euromot has an interest in enhancing safety and health with respect to the use of the sector’s products;
- Environmental issues. Euromot has an interest in enhancing protection of the environment with respect to the use of the sector’s products.
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Michael G Hawkins
President

Dr Peter Scherm
General Manager

WWW.EUROMOT.EU

EUROMOT - The European Association of Internal Combustion Engine Manufacturers

e-mail: info@euromot.eu