

Protection of whistle-blowers

The proposed new EU regulation on the protection of persons reporting on breaches of Union law covers a broad swathe of EU law, including money laundering, corporate taxation, data protection, protection of the Union's financial interests, food and product safety, environmental protection and nuclear safety. Parliament is due to vote on approving a compromise text on the proposal during the final plenary session of this term.

Background

'Whistle-blowers' are individuals who come across information about wrongdoing or about acts or omissions that could threaten or harm the public interest (such as fraud, corruption, tax evasion, and failure to protect food safety or the environment) and report such acts or omissions to their employers, the competent authorities or the press. In recent years, whistle-blowers have played a key role in revealing serious breaches of the public interest, such as in the case of the leaking of the Panama Papers. The level of whistle-blower protection, however, varies greatly among the EU institutions and EU Member States, and disparities between Member States can lead to legal insecurity and the risk of unequal treatment.

European Commission proposal

In its 2016 <u>communication</u> on the fight against tax evasion and avoidance, the European Commission expressed full support for the protection of whistle-blowers, and announced that it would continue to monitor Member States' provisions and facilitate the exchange of best practice in order to encourage improved protection at national level. It also indicated that it was assessing the scope for horizontal or further sectoral action at EU level, while upholding the principle of subsidiarity. The Commission reaffirmed this commitment in its 2017 <u>work programme</u>. The Commission's 2018 <u>proposal</u> outlines a set of common minimum standards to provide protection against retaliation for whistle-blowers reporting on breaches in specific policy areas, where: i) there is a need to strengthen enforcement; ii) under-reporting by whistle-blowers is a key factor affecting enforcement; and iii) breaches could result in serious harm to the public interest.

European Parliament position

On 14 February 2017, Parliament adopted a <u>resolution</u> on the role of whistle-blowers in protecting the EU's financial interests. It deplored the fact that the Commission had failed to submit any legislative proposals aimed at establishing a minimum level of protection for European whistle-blowers. The Committee on Legal Affairs (JURI) then adopted an own-initiative <u>report</u> on legitimate measures to protect whistle-blowers. That report called on the Commission to present a horizontal legislative proposal before the end of 2017, with a view to protecting whistle-blowers effectively in the EU. The JURI committee adopted its <u>report</u> on the subsequent proposed directive on the protection of persons reporting on breaches of Union law on 27 November 2018. The amendments voted would introduce, inter alia, anonymous reporting and legal protection for journalists and non-governmental organisations reporting on whistleblowing. The European Parliament and the Member States reached a provisional <u>agreement</u> on the text of the proposal on 15 March 2019. Parliament is scheduled to vote on the agreed text during its April II plenary session.

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