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contact : theofficial@daldewolf.com

www.daldewolf.com

EDITORIAL

Dear readers,

For this last issue of the year, we bring you an edition that closes the chapter on the duty of independence for civil servants.

The focus of this issue is on the prevention of conflicts of interest. We examine two additional aspects of conflict-of-interest prevention: the prohibition on holding interests in companies subject to the control of one's institution and the prohibition on handling matters in which the official has a personal interest.

The judgment analyzed in our case law section complements the review of the conflict-of-interest prohibition regime in the context of disciplinary investigations.

Curious to find out whether the new measures announced in the Belgian budget agreement will affect your purchases or investments? That's the focus of our "Belgian Law" section.

Enjoy your reading, but most importantly, we take this opportunity to wish you a joyful festive season and a wonderful start to the New Year. May this period bring you peace, happiness, and renewed energy for the challenges ahead.

PS: This newsletter is also yours, and we welcome all your suggestions for our upcoming issues. Feel free to contact us by email: theofficial@daldewolf.com.

The DALDEWOLF team

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Focus – Conflicts of Interests: Declaration Obligations and Prohibition Regime

As we recalled in the previous issue, the obligation of independence is a cornerstone of the ethics of the European civil service (Zavvos/Commission, T-21/01). It is reflected in Article 41 of the Charter of Fundamental Rights, which enshrines the principle of good administration, and in Articles 11, 11a, 12b, 13 and 16 of the Staff Regulations, which impose an obligation of independence and impartiality on EU officials and agents.

The Definition of "Conflicts of Interests"

While these provisions govern the prevention of conflicts of interest, they do not provide definition. Article 11a of the Staff Regulations requires officials to act at all times solely in the interests of the Union, prohibiting any conduct—whether or not linked to a breach of a specific rule—that, in light of the facts, shows an intention to favor a particular interest to the detriment of the Union's general interest.

A conflict of interest refers to a situation where there is a clash between a person's public duty and their private interests, or those of close family members, in which private interests could unduly influence the performance of official duties or compromise independence or subjective (CQ/CESE, T-117/24, §§63-65) or objective impartiality (Hamers/Cedefop, T-159/20, §§53-55; UZ/Parliament, C-894/19P, §55).

The main goal is to safeguard impartiality, objectivity, and independence.

However, the risk must be real, not purely theoretical. It is for the Appointing Authority (AIPN), based on the official's disclosure obligation, to assess whether a conflict exists—not the official themselves (HI/Commission, F-133/15).

The CJEU has repeatedly confirmed that the AIPN enjoys broad discretion, but this must be exercised within reasonable limits (SN/Commission, T-689/22, §39).

A telling example: an official on personal leave from DG Competition sought to continue as vice-president of an economic consultancy. The

institution refused authorization, considering that the role could appear to create a conflict of interest given contacts, privileged information, and public visibility. The Court upheld this view, ruling that even the appearance of a conflict suffices to justify refusal (SN/Commission, T-689/22, §41).

It must be established whether, in the specific case, there is an objective element—such as a conflict of interest by officials acting for EU institutions—likely to raise legitimate doubts in the eyes of third parties about the impartiality of the procedure (Chronopost and La Poste/UFEX et al., C-341/06 P and C-342/06 P, §54; Weissenfels/Parliament, T-684/15 P, §17).

Absence of Conflicts of Interests throughout the career

Article 11 of the Staff Regulations requires institutions to implement preventive measures before recruiting or reinstating an official after personal leave. The AIPN must verify the absence of any interest that could compromise independence, based on a declaration form completed by the official before any conflict materializes.

During an official's career, Article 11a expressly prohibits handling any matter in which the official has a direct or indirect personal interest—particularly family or financial—that could compromise independence. If such a case arises, the official must immediately inform the AIPN, which will take necessary measures, including reassignment.

Note: mere professional ties between an official and a third party do not automatically imply compromised independence when ruling on a case involving that third party (Garcia Dominguez/Commission, F-155/12, §§34-37).

For example, if a selection board member and a candidate are related by family ties, both must declare this (the former under Article 11a, the latter under Article 27) (Gioria/Commission, F-82/14, §§36-38). This differs from cases where they are simply colleagues; while disclosure is still required,

family ties are treated as a conflict risk, professional ties are not necessarily (Garcia Dominguez/Commission, F-155/12; Giannini/Commission, T-100/04, §223).

Conflict-of-interest rules also apply in administrative investigations when investigators wear multiple hats (AF/Commission, T-1047/23, §§36-66; CQ/CESE, T-117/24, §§63-65).

Prohibition on Holding significant interests in controlled companies

Under Article 11(3) of the Staff Regulations, officials may not hold interests in companies subject to the

control of their institution.

Such "interests" can take various forms. The Commission's guidelines on preventing conflicts in EU fund management (C 121/20, OJ EU, 9.4.2021) state that even holding shares in a company—regardless of amount—may be perceived as a conflict risk. Each case is assessed individually.

Finally, in public procurement, if an official uses their position to obtain an advantage from a contractor for a family member, this conduct may appear to third parties as creating confusion about the Union's interests (CX/Commission, T-143/16, §128).

Case-law - T-159/20 RENV (H v Cedefop)

Facts

Ms H, a temporary agent at the European Centre for the Development of Vocational Training (Cedefop) since 1995, held the position of Head of the Budget and Finance Department from 2001 to 2007. In 2005, following an internal audit conducted by the European Commission, serious irregularities were found in the tendering and awarding of public contracts, involving Ms H. OLAF then opened an investigation against six people, including Ms H, concluding in 2007 that there had been organised fraud affecting the financial interests of the European Union.

The OLAF report was forwarded to the Greek judicial authorities and to Cedefop. A criminal investigation was conducted, Cedefop brought a civil action, and the proceedings resulted in the acquittal of Ms H and the other persons concerned in July 2018. Ms H subsequently sought compensation from Cedefop for the damage she had suffered (non-material damage, damage to her health, legal costs), but her claim was rejected by the acting Executive Director, who had also testified against her in the previous proceedings.

After lodging a complaint and obtaining a partially favourable decision from the Appeals Committee (only on the legal fees), Ms H brought an action before the General Court of the European Union, which initially dismissed the application. However, the Court of Justice, to which the case was referred on appeal, partially overturned the initial judgment, finding that there was legitimate doubt as to the

impartiality of the author of the decision to reject the claim for compensation, and referred the case back to the General Court.

Assessment by the General Court

The General Court had to examine whether the decision to reject Ms H's claim for compensation was vitiated by a lack of impartiality within the meaning of Article 41 of the Charter of Fundamental Rights of the European Union. It points out that the requirement of impartiality has both a subjective dimension (absence of personal bias or prejudice) and an objective dimension (absence of legitimate doubt as to possible bias). In order to demonstrate that the organisation of the administrative procedure does not offer sufficient guarantees to exclude any legitimate doubt as to possible bias, it is sufficient that a legitimate doubt in this regard exists and cannot be dispelled.

The General Court notes that the acting Executive Director, who ruled on the claim for compensation, had been involved as a witness for the prosecution in the administrative (OLAF investigation) and judicial (in Greece) proceedings against Ms H. In particular, he had stated to OLAF that the applicant was aware of the irregularities, which, according to the General Court, was such as to give rise to legitimate doubts as to his impartiality.

The General Court rejects Cedefop's arguments that the testimony of the acting Executive Director had no impact or that the applicant should have pointed out the risk of bias herself. It emphasised

that the obligation of impartiality rested with the institution and not with the applicant. Furthermore, no procedural arrangements had been made to dispel that legitimate doubt, as the appeals committee responsible for dealing with the complaint had not replaced the initial decision.

Consequently, the General Court concluded that Ms H's right to an impartial procedure had been violated and annulled Cedefop's decision. On the claim for compensation, the General Court considered that the annulment of the decision was not sufficient to compensate for the non-material damage suffered. It set the amount of compensation at €5,000, *ex aequo et bono*, while rejecting the other claims due to insufficient evidence of causality or of the reality of the other

alleged damages.

Conclusions

This case is a prime example of the importance of respecting the requirement of impartiality in the handling of administrative cases within the European institutions. The General Court points out that impartiality is not limited to the absence of manifest bias, but also implies that the organisation of the procedure must exclude any legitimate doubt as to the independence of the decision-maker. The fact that an official who has testified against the applicant is then called upon to rule on a claim for compensation in the same case may constitute a situation that is objectively likely to undermine confidence in the administration.

Belgian Law – Budget Agreement: Implications for EU civil servants

On 24 November 2025, the Belgian federal government reached a major budget agreement aimed at restoring balance to public finances. This agreement comes against a backdrop of European pressure on fiscal discipline and internal socio-economic challenges.

The stated goal is clear: reduce the deficit—which risked becoming one of the highest in Europe—while preserving competitiveness and purchasing power. To achieve this, Belgium is relying on a mix of spending cuts and new revenues, split roughly 60% for the former and 40% for the latter, without an overall increase in taxes.

In this article, we review the most significant tax changes that may affect you.

VAT

The standard VAT rate remains at 21%, but several reclassifications are planned.

Used to ordering food delivery after a long day at work? That's about to get more expensive: the VAT rate on takeaway meals, as well as on hotels, campsites, and certain sports and leisure activities, will rise from 6% to 12%. Pesticides will see their rate jump from 12% to 21%.

Taxes and Excise Duties on Fuel, Parcels, and Short-Haul Flights

Additional increases include higher excise duties on

natural gas and fuels, offset by a limited reduction on electricity. This could affect household energy costs as well as the production and delivery costs of your favorite meals.

A new tax will apply to parcels originating from non-EU countries, while the tax on short-haul flights will rise from €5 to €10.

Wealth Taxation

Other measures may interest those with investments in Belgium.

Wealth taxation is also evolving. The tax on securities accounts will double, from 0.15% to 0.30% for holdings over one million euros. Withholding tax on dividends and liquidation reserves will increase from 15% to 18%.

Social Measures

The agreement introduces notable social adjustments. Salary indexation will remain fully applied up to €4,000 gross, but beyond that, it will take the form of a flat amount in 2026 and 2028—estimated at around €80—instead of a percentage. This reform aims to contain payroll costs while protecting lower incomes.

The minimum wage will increase by €50 as of April 2026 thanks to the employment bonus. Regarding pensions, the legal retirement age will remain at 66 until 2029, then rise to 67 in 2030. Sick leave periods

will now count toward the calculation of the pension penalty, addressing fairness concerns.

Conclusion: Awaiting Parliamentary Vote

In conclusion, Belgium's 2025 budget agreement marks an important step in the strategy to consolidate public finances. It aligns with European objectives for fiscal discipline while introducing measures that will have tangible effects on daily life—both inside and outside EU institutions and agencies in Brussels.

These changes deserve close attention, as they

reflect a desire to reform without upsetting the balance between fiscal rigor and purchasing power, in a context where Belgium seeks to maintain credibility on the European stage.

However, it is important to remember that this budget agreement, although announced as a major compromise, does not yet have the force of law. It must be submitted to the Belgian Parliament for a vote in the coming weeks. This legislative process could lead to amendments or adjustments, depending on debates and political negotiations.