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EU REACHES PROVISIONAL AGREEMENT ON WHISTLEBLOWER PROTECTIONS

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The European Union (EU) has reached [provisional agreement](#) on rules to strengthen protections for whistleblowers who report violations of certain EU laws. The rules, which are unlikely to change, now await formal approval by the European Parliament and the Council of Ministers. Once a directive is approved, member states will be given two years from its publication in the EU's official journal to implement it into national laws.

BACKGROUND

First proposed in 2018, the whistleblowing directive will cover EU laws on anti-money laundering, corporate taxation, public procurement, data protection, environmental protection and nuclear safety — member states will be allowed to extend its provisions to other policy areas. Protection of whistleblowers is currently fragmented in the EU — only 10 EU countries (France, Hungary, Ireland, Italy, Lithuania, Malta, the Netherlands, Slovakia, Sweden and the United Kingdom) have a comprehensive law, and other countries provide only partial protection.

HIGHLIGHTS

Key provisions cover:

- **Clear reporting procedures and obligations for employers.** Whistleblowers are “strongly encouraged” to first report violations through an organization’s internal channels before alerting public authorities. Companies with more than 50 employees and municipalities with more than 10,000 inhabitants must establish reporting channels. In some instances, including cases of imminent danger, whistleblowers can make disclosures directly to the media.
- **Covered individuals/laws.** Protected individuals include employees, volunteers, trainees, nonexecutive directors and shareholders. EU laws subject to whistleblower protection will be listed in an annex to the directive.
- **Scope of protection.** Whistleblowers are protected from retaliation (including threats or attempts of retaliation), dismissal and demotion and may receive certain legal and financial support in judicial proceedings. Whistleblowers are exempt from liability for violating any contractual or other legal restrictions on disclosing certain types of employer information.
- **Feedback obligations.** Employers and authorities must respond to whistleblowers’ reports within three months (extendable to six months in certain circumstances).

RELATED RESOURCES

- [Press Release](#) (European Commission, 12 Mar 2019)
- [Press Release](#) (European Council, 15 Mar 2019)

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