

## **Conflict of Interest Policy**

### ***Preamble***

It is important that Staff/ Executive Committee Members of CUTS International be seen always to place the interests of the Society above their own interests when engaged in Society's services. The following points are intended to provide guidance for the Executive Committee and for individual staff/committee members in cases where real, apparent, or potential conflicts of interest may arise.

### ***Definition***

Conflict of interest can be said to arise if an Executive Committee/staff member could be biased or influenced by their other interests (private, personal or professional), or that a reasonable person would believe that the person could be influenced.

Conflicts of interest include situations where staff/Executive Committee members:

- private or business affairs or financial interests are in conflict with their duties and responsibilities or result in a perception that a conflict exists;
- actions compromise or undermine the trust which the other stakeholders (including donors and government partners) and members place in the Society; and which could impair or appear to impair the staff/Executive Committee members abilities to act in the Society's interest;

Conflicts of interest include both financial and material interests. In addition to actual conflict of interest, there can also be apparent or potential conflict of interest.

An apparent conflict of interest occurs when a person perceive that the performance of the staff/ Executive Committee members' duties and responsibilities could be influenced by their financial or material interest.

### ***Scope***

These guidelines extend to include '*associated parties*' of the staff/Executive Committee Member. Associated parties are defined as: spouse, parents, brothers, sisters and children of the staff/Executive Committee member as well as persons with whom the staff/Executive Committee member has or has had marital, intimate, significant business, financial or other similar kind of relationship.

### ***Guidelines***

The following guidelines direct all actions and decisions regarding potential and actual conflict of interest in activities sponsored or supported by the Society. the staff/ Executive Committee members act in the best interests of the members of CUTS International;

- the staff/ Executive Committee members should not participate in decisions from which they could benefit financially or materially;
- the staff/ Executive Committee members regard benefits accruing to associated parties as if the staff/ Executive Committee member in question were to benefit;

- the staff/Executive Committee members should not use their positions or information obtained there from to provide an unfair advantage to themselves, including cases involving grants for funding and other approvals and appointments.
- the staff/Executive Committee members should be mindful of potential conflicts of interest, and declare a conflict of interest before it arises. Appropriate action can then be taken in consultation with staff/ Executive Committee members.
- the staff/Executive Committee members will usually be expected to withdraw from a particular selection panel or lobbying delegation, or absent him/herself from discussion about particular issues if it presents a conflict of interest. Minutes of the meeting should note the conflict of interest, and the relevant minutes are not to be forwarded to the member who has absented him/herself.

### ***Types of Conflict of Interest***

- ***Self-dealing:*** In the staff/Executive Committee member's role, the individual makes decisions that financially or materially affect them as a private citizen or any associated parties.
- ***Accepting benefits:*** In the staff/Executive Committee member's role, the member accepts substantial gifts, bribes, services, or other significant benefits that may be perceived to influence him/her.
- ***Influence peddling:*** The staff/Executive Committee member accepts benefits in exchange for exerting influence or giving preferential treatment to the giver of the benefit.
- ***Using confidential information:*** The staff/Executive Committee member uses confidential information acquired because of the Society for private gain.
- ***Post-appointment:*** Confidential information that has been gained in the staff/Executive Committee member's role is used for private advantage after leaving the Society.

### ***Procedure when a Conflict of Interest arises***

1. It is the responsibility of each staff/Executive Committee member to immediately disclose in writing to the President/Secretary General of CUTS International the existence of any conflict of interest at the next Executive Committee meeting or when that person becomes aware of the potential conflict of interest.
2. All declarations of potential conflicts of interest will be recorded in the minutes of each meeting
3. Staff/Executive Committee members must withdraw from participation in any way in decisions in which they have a financial or material interest.
4. Staff/Executive Committee members who are in a conflict of interest shall absent themselves without comment prior to any discussion or voting in respect of the application or other issue.
5. The Executive Committee will grant leave of absence for a person for the times in which the decisions where such an important conflict of interest may influence decisions (positively or negatively) are to be made.

6. Should a staff/Executive Committee member be found to be in conflict of interest that has not be disclosed to the Executive Committee as required in point 1 above, the Executive Committee may:

a) require the staff/Executive Committee member to provide full disclosure of the nature of the conflict of interest;

b) by special resolution remove member from the Executive Committee or terminate employment of the staff member as the case maybe.

7. Where conflicts of interest are not declared by staff or continued once declared and determined as in appropriate, the President/Secretary General will ensure that the Disciplinary Procedure will be followed.

8. The Executive Committee will examine each potential conflict of interest on its merit and asses the possible risk factors. The Executive Committee may implement contingency plans or arrangements for dealing with each particular circumstance.

9. Where the disciplinary process is implemented to a conflict of interest, the President/Secretary General of the Executive Committee will be advised, consulted and involved as needed.

10. The Executive Committee will respond to any complaints made to the Executive Committee (or President/Secretary in the case of conflict for staff), which assert that they have ignored conflicts of interest. The critics will be informed of the decision and reason in writing within 7 days.