
Series: policies and good practices

06

CONFLICTS OF INTEREST

Policy and recommendations for the establishment and use of declarations

Federal Executive Division
December 2014, updated November 2015

Conflicts
of interest

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Internal document
Can be made available to partner organisations



I. Definition of conflict of interest

1.1. With regard to its activity, HI considers a conflict of interest to be “any overlap between the mission of a member of the organisation and his or her private interests when these private interests, by their nature and amplitude, may reasonably be considered liable to influence the fair, impartial and objective exercise of his or her functions to the detriment of the interests of the organisation”.

1.2. A conflict of interest may exist even if no unethical or dishonest acts have been committed.

1.3. This overlap between private interests and the interests of the organisation may arise periodically or constitute a permanent situation, notably if the member concerned exercises a mandate within another private- or public-sector organisation, or has responsibilities within a company liable to provide services to HI.

II. Purpose of this policy

2.1. The purpose of this policy is to set forth the transparency measures put in place by HI to prevent situations of conflict of interest.

2.2. All HI's members, voluntary workers, trainees, volunteers or salaried staff must be alert to the risk of a potential conflict of interest. To this end, the organisation will provide awareness-raising and training adapted to these different categories of internal parties.

2.3. In order to fulfil their functions, HI's **chairpersons, board members, and federal and national association directors** must at all times be fully capable of making objective judgments relative to the institution's choices and strategies¹.

2.4. A declaration of interests procedure has been put in place to ensure transparency and will actively contribute to the quality of HI's activities.

2.5. Consequently, **chairpersons, board members, and federal and national association directors** are required to complete and submit a declaration of interests form and update this form annually. Its purpose is to declare and clarify any connections with third parties which might influence their actions. HI's directors are notably required to provide the organisation with a list of any other companies and organisations in which they exercise management functions or are members of the board of trustees. These declarations will enable HI's governance and management bodies will be able develop strategies and

1. For the purposes of this document, « the institution », refers to any entity or part of an entity acting in the name of HI: Federation, national associations, foundation or other.

takes decisions in a fully transparent manner and with full knowledge of the issues at stake.

2.6. The boards of trustees or national and federal directors may decide to extend the Declaration of Interest requirement to other head office or field managers who represent HI or make regulatory or contractual commitments on its behalf, **i.e. managers in charge of calls for tenders and managers with responsibility for or in charge of the programmes.**

2.7. This policy and the declaration procedure are in addition to and in no way replace any national and/or federal legislation concerning conflicts of interest for aid organisations in effect in the countries in which members of the HI federal network are based or in the countries in which HI runs programmes. They are supplementary instruments for ensuring good management.

III. Personal data monitoring : submission and conservation of declarations

The information contained in the declaration is reported as follows:

3.1. Within the Federation:

The members of the Federal Board of Trustees report to the Chairperson of the Federal Board of Trustees. As the Chairperson is appointed by the Board of Trustees, he/she will report to the other members of the Board of Trustees. The information will be conserved by the Federal General Secretariat.

The Federal Executive Director reports to the Chairman of the Federation.

The members of the Directorate and managers of other federal divisions attached to the Federation report to the Federal Executive Director.

For other designated categories of Federal staff (notably managers in charge of calls for tenders, field programme directors and heads of mission):

- declarations are submitted to the Human Resources Division which is responsible for collecting and conserving them;
- cases requiring follow-up action are passed on to the programme division directors or other directors concerned, who decide on and implement any managerial interventions required and inform the Human Resources Division;
- the Human Resources Division presents a summary to the Directorate.

3.2. Within the National Associations

Each national board of trustees (BoT) will proceed according to its own rules of procedure. A summary will be produced by the BoT and made available to the Chairman of the Federation.

The national director will present a summary both to his or her chairperson, according to the procedure set out in the association's byelaws, and to the Federal Executive Director who is responsible for managing the different entities in the HI network.

Other categories of staff required to submit a declaration of interest will report according to the rules of procedure in force in the national association concerned and in conformity with the laws in effect in the host country.

3.3. The declaration is based on the declarant's own appreciation of their private interests. However, the final decision as to whether or not a conflict of interest exists will be made by the governing bodies.

3.4. Conservation of declarations

The conditions in which declarations are conserved will meet the confidentiality and security requirements imposed by the regulations in effect in the countries where the head offices of the Federation and national association members of the HI network are based.

IV. Management of conflicts of interest

4.1. National or federal board members may maintain commercial, professional or any other type of relations outside of the organisation. In the same way, work carried out on an occasional basis by national or federal directors and not related to the work of the organisation will not compromise their independence, as long as potential conflicts of interest are clearly stated in the declaration.

4.2. The existence of connections between a director or manager of HI on the one hand and an organisation or company on the other does not mean there is a conflict of interests, especially as we are seeking to strengthen our networks and mobilise new skills and resources in the interests of the organisation and its missions.

4.3. If the independence and objectivity of the board members, directors or other persons required to submit a declaration are affected, either in fact or appearance, they should inform their federal or national governance and management bodies. These bodies will also periodically examine potential conflicts of interest and, if need be, take measures to internally reassign or rotate functions or files.

4.4. The national and federal governance and management bodies may conclude that there is no of conflict of interest or, on the contrary, that the situation requires the person concerned to refrain from participating in a particular activity or decision-making process related to the origin of the conflict of interest.

V. Scope of this policy

5.1. This conflict of interest policy has a general intent, is mandatory and applicable in all HI network entities, i.e. the Federation, the HI network's National Associations and the Foundation.

5.2. The policy will be brought to the attention of all the internal and external parties concerned by means of adapted information media produced in French and English, and may be translated into other languages as required by the countries in which it is used.

VI. Template declaration forms

6.1. In order to facilitate its implementation, the Federation offers two templates of the conflict of interest declaration form to be completed by managers and persons designated by their management . These forms can be used as a basis for improving forms already in place in the HI network's federal and national entities. They can be supplemented with information concerning the regulations in force in each national association country.

Annexes attached:

- **Declaration of Interests form** (For chairpersons, board members, and federal and national association directors)
- **Declaration form confirming absence of a conflict of interests** (for managers in charge of calls for tenders and managers with responsibility for or in charge of the programmes)

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