#### **Conflict of Interest Policy**

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| **Approver** | SMG |
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**Revision**

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| **Action:** | **Name:** | **Date:** |
| * Introducing the yearly declaration procedure
* Introducing the automation in NRC People
* Elaboration of the forms to include all disclosures and to include suppliers and consultants
 | Lama Ballout and Joanna Nicholson | May 2023 |

# **Purpose**

All representatives of NRC are expected to act with integrity and honesty at all times.

Stakeholders, including beneficiaries, donors and partners, must have trust and confidence in the professionalism of NRC’s representatives and operations. As part of this, they must believe in the integrity of NRC’s decision-making processes.

When making a decision on behalf of NRC, NRC representatives have a duty to act in the best interests of the organisation and must ensure that they do not use their position to create real or perceived inappropriate advantages for themselves or their close connections.

Conflicts of interests are not wrong in themselves; it is how they are managed that is important. NRC representatives must be able to identify an actual or perceived conflict of interest and must know what to do about it if they arise. Conflicts of interest can lead to:

* Inefficient use of funds, e.g., by paying a higher price or hiring an inappropriate candidate
* Favouritism in programming (failing to give assistance to those who are most in need)
* Damage to NRC’s reputation
* The possibility of disciplinary or other appropriate action against the affected NRC representative
* Distrust and anger amongst staff members and amongst the communities NRC serves

In most cases, conflicts of interest can be avoided simply by exercising good judgment and common sense. As such, NRC relies on the sound judgment of NRC representatives to prevent many conflict of interest situations.

This policy explains:

* What a conflict of interest is
* How to manage conflicts of interest
* What to do if a conflict of interest arises

The procedures and disclosure forms for the policy are contained in the Conflict of Interest SOP.

# Scope

The Policy applies to:

* All NRC employees and NORCAP experts
* Board Members
* Contingent workers (non-skilled incentive refugee workers, skilled incentive refugee workers, casual workers, non-skilled community-based workers, skilled community-based workers, volunteers, and interns)
* Suppliers and consultants engaged by NRC.

This Policy should be read in conjunction with the Code of Conduct. Some more specific information on conflicts of interest can be found in other NRC documents, including the HR Handbook and the Logistics Handbook.

# Definitions

The following definitions are used throughout the Policy:

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| **Appropriate person(s)** | Your line manager, the staff member leading the process in which you may have a conflict of interest, and HRThe staff member leading the process may be the Regional or Country Director, your line manager, a member of recruitment or procurement committee, head of unit, department/division manager, area manager, etc. |
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| **Board member(s)** | NRC board member(s) |
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| **Conflict(s) of interest** | Any situation in which your personal interests could induce you, or could reasonably be perceived as inducing you, to make a decision that is not in the best interests of NRC |
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| **Connected organisation(s)** | Any organization that you have an association with through ownership or influence that does business, seeks to do business, or is a competitor of NRC. This includes:* businesses in which you or a connected person hold significant shareholding or voting rights or
* businesses where you or a connected person serve as a director, consultant, partner or have any another key role
* other non-commercial organisations (local NGOs, community based organisations, civil society organisations etc) where you or a connected person have significant influence
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| **Connected person(s)** | A relationship that goes beyond the bounds of a professional relationship, that might give rise to a conflict of interest, including:* Family or relatives, including direct connections (e.g. spouse, romantic/intimate partners, children, siblings, etc.) and extended family (e.g. uncles, aunts, cousins) [[1]](#footnote-2)
* A relationship of financial dependency, for example a business partner
* A relationship where previously there have been instances of serious conflict between the parties
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| **Employee(s)** | NRC employee(s) and NORCAP expert(s)  |
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| **Personal interest(s)** | Any interest that can bring, or that may be perceived to bring, directly or indirectly, personal gain to NRC representatives, connected persons, or connected organisations.Personal gain includes financial, political, religious, national or family benefits or advantages. |
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| **Policy** | This Conflict of Interest Policy |
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| **SOP** | Conflict of Interest Standard Operating Procedure  |
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| **You/your** | You must comply with this policy if you are:* an NRC employee
* a NORCAP expert
* an NRC board member
* a contingent worker (non-skilled refugee worker, skilled incentive refugee worker, casual worker, non-skilled community-based worker, skilled community-based worker, volunteer, or intern)[[2]](#footnote-3)
* a supplier or consultant engaged by NRC
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# Managing Conflicts of Interests

Conflicts of interest must be managed in accordance with the following rules:

## You must always act in the best interests of NRC when making decisions

Your work at NRC must conform to the humanitarian principles of humanity, impartiality, neutrality and independence. You must avoid putting yourself in a position where your duty to act in the best interests of NRC could conflict with your personal interests.

You must ensure that your personal views, behaviour and beliefs, including your political and religious convictions, do not affect how you work for NRC:

Your actions must be free of any consideration of personal gain.

You must resist any undue political pressure in your decision-making and you must neither seek nor accept instructions regarding the performance of your duties from any government or from any authority external to NRC.[[3]](#footnote-4)

## You must be alert to possible conflicts of interest

Your good judgment is essential to identifying conflicts of interest. When deciding whether to disclose a conflict of interest, you should consider the situation from the perspective of an outsider and whether the nature of the association could raise an allegation of an actual or perceived conflict of interest.

You must act in a transparent manner. It is better to disclose a potential conflict of interest than not to disclose, as it will usually help to alleviate or avoid future misunderstandings.

If you are unsure, you should discuss the situation with an appropriate person as soon as possible.

If you become aware that another NRC representative may have a conflict of interest that they have not disclosed, you should report it in accordance with the Code of Conduct.

## You must never accept gifts or honours that could affect the best interests of NRC

You must never accept any honour, decoration, favour, gift, or economic remuneration from an external source (including national societies, governments, corporations, etc) without prior authorisation, except for minor token items of appreciation.[[4]](#footnote-5)

## You must never give or accept bribes or kickbacks

You must never accept or provide bribes, including kick-backs[[5]](#footnote-6) of any kind.

## You must disclose conflicts of interest

Conflicts of interests must be disclosed in accordance with the SOP. You will be held accountable if you do not disclose a conflict of interest.

Failure to disclose conflicts of interest according to the policy is a breach of the Code of Conduct. Breaches of the Code of Conduct can lead to disciplinary action, up to and including termination of contract.

# **Personal interests that you must disclose**

It is impossible to identify all situations which amount to conflicts of interest. You are expected to exercise good judgment in identifying what may constitute a conflict of interest. If you are unsure of whether something is, or could be perceived as being, a conflict of interest, it is always better to be transparent and disclose it to an appropriate person who can help determine the appropriate course of action.

These are some examples of conflicts of interest that you must disclose.[[6]](#footnote-7)

## The recruitment or employment of your family members

 You must disclose if your family members[[7]](#footnote-8) and or partner are applying, recruited or employed at NRC.

## You take part in a decision process involving a connected person or organisation

You must disclose if you are involved in a decision-making process involving a connected person(s) or connected organisation(s), for example during a recruitment, procurement, partner selection, or consulting process.

## You must disclose and have authorisation for other external occupation or employment

 You must disclose any side-line occupation or employment and obtain authorisation from an appropriate person to proceed.[[8]](#footnote-9)

 NRC needs to ensure that any side-line occupation engagements do not present a conflict in terms of the nature of the engagement, working time and availability and the need to ensure adequate rest outside of the workplace. It is not permitted to undertake paid engagements during NRC working time which includes annual leave, without authorisation.

## You have interests in connected organisations

 You must disclose any interests you have in connected organisations.

## You have political interests that could amount to a conflict of interest

 You must also disclose any political interests you hold that could give rise to a conflict of interest, for example if you are a local councillor or tribe leader.

1. Whether to declare an extended family member as a conflict of interest is a matter of judgment and common sense. If you are in doubt as to whether you should declare, you should do so. [↑](#footnote-ref-2)
2. For definitions of these terms, see Annex 2 to NRC HR Handbook, *Global standard for engaging contingent workers* [↑](#footnote-ref-3)
3. This does not apply to staff contacts with government officials which will promote good relations and contribute to trust and confidence in NRC and promote NRC’s interests. [↑](#footnote-ref-4)
4. Examples of token gifts include desk diaries, pens, trinkets etc. [↑](#footnote-ref-5)
5. Kick-back means to give back a portion of money received as pay, commission, etc., often due to coercion or a previous understanding [↑](#footnote-ref-6)
6. **NOTE:** This is not a definitive list, there many other situations that may amount to a conflict of interest. [↑](#footnote-ref-7)
7. Family or relatives, including direct connections (e.g. spouse, romantic/intimate partners, children, siblings, etc.) and extended family (e.g. uncles, aunts, cousins). Whether to declare an extended family member as a conflict of interest is a matter of judgment and common sense. If you are in doubt as to whether you should declare, you should do so. [↑](#footnote-ref-8)
8. Article 3, Code of Conduct [↑](#footnote-ref-9)