

Conflict of Interest POLICY

Version	2	Approved by Board	5/23
Responsible person	Office	Scheduled review	5/25

INTRODUCTION

The Board of the Australian Alpaca Association is committed to protecting the Australian Alpaca Association's (AAA) interests and the reputation and integrity of those working on behalf of the AAA (staff, officials, members and volunteers).

PURPOSE

The purpose of this document is to provide a framework for the Australian Alpaca Association in the declaration of and dealing with situations of conflict of interest. This Policy is applicable to all AAA Board and Committee members, AAA members, Judges, non-member participants, volunteers and employees at all times during their participation in activities conducted by the AAA.

BACKGROUND

What is a conflict of interest?

A conflict of interest arises where an official (for the purposes of this policy, **official** includes board members, office holders and employees or volunteers of the AAA) has private interests which improperly influence or may improperly influence the performance of their official duties and responsibilities.

Conflicts of interest may be real, apparent or potential:

- **Real:** where a direct conflict exists between current official duties and existing private interests;
- **Apparent:** where it appears or could be perceived that private interests are improperly influencing the performance of official duties – whether or not that is actually the case; or
- **Potential:** where private interests are not but could come into direct conflict with official duties.

For examples of conflicts of interest, please consult the attached conflict of interest procedures.

To ensure that there are no conflicts of interest all office bearers should always act in the best interests of the AAA at all times and declare any real, apparent or potential conflicts of interest, that may impede or be perceived as impeding their capacity to deliberate or act in good faith and/or the best interests of the AAA.

POLICY

To maintain the integrity of the AAA and of any official, representative, members or staff of the AAA must:

- Declare any conflict of interest whether real, apparent or potential;
- Not seek or accept, on behalf of themselves or any other person, any financial advantage or gain that may be offered because, or as a result, of their position; and
- Not improperly use inside information or their official status;

Due to the small size of the alpaca industry it is acknowledged there will often be interpersonal and/or business relationships between members and Committee Members/Board Directors. In such circumstances the conflicted Committee Member/Board Director must as a minimum disclose the interest, with the remaining Committee Members/Board Directors determining the appropriate course of action. Such action will range from the conflicted person abstaining from the vote to removing themselves from the meeting whilst the transaction is discussed and acted upon.

Conflict of Interest PROCEDURES

RESPONSIBILITIES

The Board is responsible for developing, adopting and reviewing this policy. The office is responsible for the implementation of this policy, for monitoring changes in relevant legislation, and for advising on the need to review or revise this policy as and when the need arises.

PROCEDURES

Managing Conflicts of Interest

To manage a conflict of interest, an actual, apparent or potential conflict must first be identified.

Examples of conflict of interest include:

- Officials whose personal interests conflict with his/her professional position;
- A person who has a position of authority in one organisation that conflicts with his or her interests in another organisation or private business;
- A person who has conflicting responsibilities.
- Nepotism - the practice among those with power or influence of favouring relatives or friends, especially by giving them jobs. Conflict arises when the friend or relative is not the best person for the job.
- Personal benefits and financial or commercial conflicts of interest:
 - financial delegate approves payments to themselves or to someone with whom they have a personal relationship;
 - Someone with whom a person has a close relationship stands to gain or lose financially by the actions of that person where they can or might appear to be able to influence that action (For example, giving a contract to a business owned by family or friends or not giving a contract to someone they dislike);
 - A member of a committee or board accepts fees and provides advice to a company that is in direct competition with the company on whose board or committee they sit; or
 - An employee with a second job that is in direct competition with their main employment.

Once identified, avoid the conflict by having the conflicted person abstain from any discussion and the vote regarding the issue or by removing the conflicted person for the duration of the process including discussion and access to information. For example, ask them to leave the room whilst discussing the matter involving the conflict. Ensure notes on the subject are not provided to the conflicted person.

While avoiding conflicts is generally preferable, in practice there may be some situations in which conflicts of interest cannot be wholly avoided and need to be managed in a way which will withstand external scrutiny. This will be determined by the Board, President or Vice president ensuring that the action taken to manage the conflict of interest will take into consideration the specific circumstances of the individual case, including the role and responsibilities the official and the nature and extent of the conflict.

Note the management of the conflict must be able to stand up to external scrutiny so the decision maker needs to be able to provide the reasons and outline the process undertaken to ensure the AAA interests were managed appropriately.

Disclosure of conflict of interest

On the appointment of new officials, a conflict of interest form must be completed. For Board positions, and regional positions, the forms are to be provided to the Office as soon as practicable.

Where a Board member has an actual or perceived conflict of interest, that Board member shall not initiate or take part in any Board discussion on that topic (either in the meeting or with other Board members before or after the Board meetings), unless expressly authorised to do so by the Board.

Where a Board member has an actual or perceived conflict of interest that Board member shall not vote on that matter, unless expressly authorised to do so by the Board.

If there is a particular matter, where a conflict of interest may arise, coming up for discussion in a meeting, a conflict of interest form must be completed prior to the meeting, or at the meeting if not identified prior, and provided to the Board or Regional President and the Office so that a discussion can be had to determine how the conflict will be managed.

Any AAA official, staff or member who believes another AAA official, staff or member has an undeclared conflict of interest should specify the basis of this potential conflict in writing to the Board, office or Regional President (depending on the circumstances). A decision will be made, based on the information provided, concerning the course of action to be taken to manage the alleged conflict of interest.

Note: There is nothing wrong with making a disclosure where you are uncertain whether a conflict of interest exists or not; the problems occur when you don't.