

Annex 1

CIVL Plenary 2008

FAI RULES ON CONFLICT OF INTEREST

All members of FAI staff and elected or appointed FAI officials with decision-making power must observe the following principles regarding conflicts of interest.

Definition: A *possible* conflict of interests is: Any situation in which a person's judgments or decisions on matters affecting FAI might be influenced by relations that person has (or is on the point of having) with other persons or organizations that might be affected (positively or negatively) by his/her judgments or decisions.

The conflict of interests becomes *real* when the person fails to reveal the potential for conflict and then expresses an opinion or makes a decision in favour of, or against, the person or organization concerned, or accepts any benefit from that person or organization.

Conflicts of interest may arise as a result of direct personal relations, or indirectly, through the interests of a closely related third person (parent, spouse, partner, dependent etc).

Types of Interest: Typical circumstances in which conflicts of interest arise are involvement with suppliers, sponsors, professional advisers, event organizers and contracting parties (shareholdings, payments, hospitality, gifts or other benefits).

Disclosures: All those to whom these rules apply must, if facing a possible conflict of interests, refrain from giving their opinions, making decisions or accepting benefits, and must make a declaration of interest. This can be made in one of two ways:

- A public statement to a FAI body such as a Commission meeting.
- A written disclosure to the FAI Executive Board Member responsible for Ethics. The information given will be kept confidential if requested.

Treatment of Disclosures: The FAI Executive Board, on the advice of the responsible Board Member, will take the necessary decisions. The options may include, but are not limited to: registering the declaration without further action; removing the person from part or all of the action or decision-making opportunities that create the potential for conflict; eliminating the person's involvement in the external interest causing the conflict.

Penalties: Failure to disclose potential conflicts of interest may lead to action under FAI Statute 2.8.1. and Chapter 6 of FAI By Laws (Enforcement).

Prevention: All FAI Commissions and other legislative and executive organs of FAI should have as a standing item on their meeting agendas "Declaration of Conflicts of Interest", in order to provide a formal opportunity for people to make disclosures of potential conflicts.