

Conflicts of Interest Policy

Owner	FRAC	Approval Date	May 2020
Approved by	Board	Review Date	May 2023

1. Purpose

This Policy sets out the expectations on, and requirements of, UN Youth Officeholders regarding conflicts of interest (bias).

This Policy is designed to ensure that all conflicts of interest are identified, disclosed and managed in a transparent way that promotes confidence in the integrity, legitimacy, impartiality and fairness of UN Youth's decision-making processes.

This Policy applies to all UN Youth Officeholders.

2. What is a conflict of interest?

A conflict of interest may arise from a financial or non-financial interest of an Officeholder. If an Officeholder has a financial or non-financial interest in a decision before UN Youth, they must apply the test for a conflict of interest at clause 2.3 of this Policy to determine whether they may participate in decision-making on the matter.

2.1. Financial interest

An Officeholder has a financial interest in a matter being decided by UN Youth if he or she could reasonably expect a financial gain or loss, depending on how UN Youth decides to deal with the matter.

A financial interest may be direct, or indirect (for example, through a company, or as the beneficiary of a trust).

2.2. Non-financial interest

An Officeholder has a non-financial interest in a matter being decided by UN Youth if he or she has a relationship or involvement with an individual or organisation, or a duty to an individual or organisation (usually separate to their role as an Officeholder), in circumstances where that individual or organisation is involved in or affected by a matter before UN Youth.

The interest or duty usually arises from a pre-existing state of affairs. Common non-financial interests may arise from a personal relationship, such as with family, friends, or iwi or hapū. Other interests may arise from involvement with organisations, such as community groups, clubs, or churches.

2.3. Test for conflict of interest

Once a financial or non-financial interest is identified, the test for whether that interest may constitute a conflict is:

Would a fair-minded observer reasonably think that a member of the decision-making body might not bring an impartial mind to the decision, in the sense that he or she might unfairly regard with favour (or disfavour) a particular position due to his or her financial or non-financial interest?

The question is not just limited to actual bias, but also the appearance or possibility of bias.

It is important to note that the mere existence of an interest does not automatically mean a conflict of interest exists. This test should not be applied in a vacuum; rather, it should take into account the context and circumstances of the organisation, as well the type of decision in question. This may include considering factors such as:

- the volunteer nature and charity basis of UN Youth;
- whether most or all of UN Youth members, volunteers, or Officeholders have the same or similar interest as is at issue; and
- the nature of member, volunteer and Officeholder relationships (and how that relates to the member participation and volunteer and Officeholder retention).

The type of decision in question may also affect whether an interest constitutes a conflict of interest. For example, a more strict approach to whether a conflict of interest exists may be needed if a decision affects the rights or obligations of an individual (or a small group of individuals). Alternatively, a less strict approach may be warranted where the issue involves high-level policy, procedure or protocol making; advocacy; or making recommendations only.

3. Management of interests, and conflicts of interest

3.1. Declaration of interests

All Officeholders are required to declare any financial or non-financial interests they have to their Supervising Officeholder:

- at the start of their term of office; and
- immediately when they arise during their term of Office.

All interests declared must be recorded in a register maintained by the National Executive, unless the interest arises through the appointment of event volunteers. In those matters, clause 3.1 of this Policy does not apply.

3.2. Evaluation of interests for conflicts

All Officeholders are required to evaluate their financial and non-financial interests to determine whether or not they have a conflict of interest in any matter being discussed or voted on.

If an Officeholder is concerned they have a conflict of interest in a matter before UN Youth, they must review this Policy, and seek advice from their Supervising Officeholder.

3.3. Management of conflicts of interests

If an Officeholder has a conflict of interest, they must not participate in any decision-making on the specific matter. The Officeholder must:

- declare the nature of the conflict to their Supervising Officeholder, and if applicable, declare that conflict of interest exists at the beginning of the meeting where the matter is being discussed;
- refrain from discussing or voting on the matter, or otherwise engaging in decision-making on the matter; and
- ensure that the declaration and abstention are recorded in meeting notes, minutes, or other records of the decision-making process.

3.4. Arbitrator's ruling

If any question arises around an Officeholder's management of a conflict of interest, or as to their entitlement to participate in decision-making on a matter, and the question is not resolved by the Officeholder agreeing to recuse themselves from participation in decision-making, the question must be referred to the Arbitrator for review.

The Arbitrator must assess the nature of the interest and the matter at hand, and determine the question at issue. This may include questions of:

- whether the interest does, in fact, constitute a conflict of interest; and
- whether the Officeholder must recuse themselves from decision-making on the matter.

The Arbitrator's determination will be final and conclusive, except in a case where the nature of the interest has not been fairly disclosed.

In the first instance, the affected Officeholder's Supervising Officeholder will act as the Arbitrator for the purpose of this clause. However, in circumstances where it is not appropriate or possible for the Supervising Officeholder to act as the Arbitrator (for example, if they are not available at the time), an Officeholder more senior than the Supervising Officeholder may be requested to act as Arbitrator to determine the question at issue.

4. Responsibilities

Managing conflicts of interest within UN Youth is the responsibility of every Officeholder.

In addition to the above:

- all Officeholders are responsible for raising concerns about the existence of and management of potential conflicts of interest that may affect other Officeholders, either by:
 - direct discussion with the affected Officeholder; or
 - discussion with the affected Officeholder's Supervising Officeholder.
- All Supervising Officeholders are responsible for:
 - ensuring they are alert to the conflict risks inherent in the work of the Officeholders they supervise;
 - making Officeholders they supervise aware of this Policy and procedures for compliance; and
 - record receipt of disclosures of conflicts of interest reported to them in accordance with clause 3.3.

Depending on the seriousness of the breach, a breach of this Policy will constitute misconduct or serious misconduct for the purpose of UN Youth's Misconduct Policy.