

## University of Peradeniya

<b>Policy name:</b>	Policy on Conflict of Interest
<b>Policy number:</b>	UoP-P 008
<b>Date of Approval:</b>	04.04.2021 (approved by the 503 <sup>rd</sup> Council)
<b>Supersedes:</b>	Not relevant
<b>Approving Authority:</b>	The Council, University of Peradeniya
<b>Administrative Responsibility:</b>	All Officers of the University*, Directors of Postgraduate Institutes & Centres, and All Administrative Officers
<b>Monitoring responsibility:</b>	The Council, University of Peradeniya

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### Overview:

The staff members of the university engage in a wide range of activities relevant to the designations and disciplines to which they are attached. The University recognizes the involvement of its staff with other parties in different activities and the advantages delivered by such activities to the University and the local and global community. Situations of conflict-of-interest can arise when the interests, both actual and perceived, of the staff member and the other related parties (hereinafter referred to as individuals) who are involved in a particular activity differ from the interests and primary obligations of the University as an institution. It is essential that all relevant individuals of the University avoid or manage situations of conflict-of-interest effectively and transparently and also be seen to avoid or manage those effectively and transparently.

The University trusts the ability and predisposition of its staff members to conduct themselves according to the principles/norms of professionalism, justice, fairness, and loyalty. Any failure on the part of staff members of the University to ensure such conduct could have dire consequences for both the institution and the concerned individuals. While the University affords its staff members the freedom that they deserve and require to effectively discharge the services expected of them, the University also recognizes the need to adopt a mechanism to protect itself and its staff members from such consequences. The Policy on Conflict-of-Interest is aimed at defining the official stance of the University of Peradeniya with regard to the notion of conflict-of-interest and provide a framework within which to manage situations of conflict-of-interest.

- **Overall Policy Statement:** The University of Peradeniya trusts the ability and predisposition of its staff members to conduct themselves according to the principles/norms of professionalism, justice, fairness, and loyalty and is predisposed to protect its dignity and ensure that all individuals/parties who/that are engaged with the University are treated in a just and fair manner.

This policy shall be reviewed every five years to maintain its relevance and validity.

### **Scope and Application:**

This Policy defines the University's position on the notion of conflict-of-interest. It also aims at raising awareness among the individuals in order to prevent situations of conflict-of-interest and to allow effective management of such situations. And the Policy outlines a framework to deal with situations of conflict-of-interest.

#### **1. Scope of the policy:**

- a) The University acknowledges the possibility of the individuals being in situations of conflict-of-interest. All the individuals are expected to identify the actual/potential/perceived situations of conflict-of-interest and then declare them and ensure that they are managed in a manner that is acceptable to the University.
- b) The University of Peradeniya recognizes the following situations/processes, among others, as ones where there is a high likelihood of situations of conflict-of-interest arising: recruitment processes; examination-related duties; research supervision; involvement in projects, activities with financial benefits to university staff members; processes involving tender decisions; contract management; getting appointed to executive/administrative positions; processes involving legal decisions and proceedings; policy making; processes involving the formulation of agreements and partnerships, activities in relation to research, development and innovation; provision or acceptance of donations; engaging in consultancy; the preparation and adoption of MoUs and contracts; and contributions to key decisions at meetings (boards, councils, etc.) particularly those of far-reaching consequences.
- c) The policy provides a framework to be used by the relevant authoritative bodies tasked with handling situations of conflict-of-interest in managing such situations, in a manner that the credibility of the University in the eyes of the public is always affirmed and upheld.

- d) It is expected that this Policy will uphold the credibility of the University, which will in turn enhance the University's chances of securing collaborations and partnerships that benefit the institution, the members of its community, and also the broader public.
2. **Application:** The "individuals" referred to in the policy statements include the following personnel of the University of Peradeniya:
- a) all permanent and contract/temporary staff members of all levels,
  - b) outside individuals who serve on different boards, management committees, and councils,
  - c) outside individuals who perform collaborative activities with staff members of the University, and
  - d) outside consultants and any individuals or groups undertaking activities for or on behalf of the University.

### **Key Policy Principles**

1. The University accepts that the effective and transparent management of situations of conflict-of-interest is fundamental to ensuring the credibility of both the University as an institution and also all the individuals involved.
2. All individuals/affiliated to the University shall place the public interest above their private interests when carrying out their official, University-related functions and duties (actual conflicts of interest).
3. The individuals shall not allow themselves to get into situations where outside interests may come into conflict or appear to come into conflict with the interests of the University (potential conflict of interest).
4. The individuals shall always conduct themselves in a manner that does not lead to any suspicion that the decisions that they make as individuals affiliated to the University have been influenced by personal/financial/other interests (perceived conflicts of interest).
5. The staff members shall avoid and be seen to avoid, engaging in outside activities that are in violation of the values and principles that the University upholds and/or compete with the activities undertaken by the University.

6. All individuals shall conduct themselves with complete neutrality and professional integrity, with regard to matters related to the University.
7. All individuals shall be responsible for avoiding situations of conflict-of-interest wherever and whenever possible; identifying potential situations of conflict-of-interest, declaring and/or reporting such situations; and managing any actual, potential or perceived conflict of interest that applies to them.
8. The individuals shall always disclose relevant situations/positions/circumstances before they engage in an activity, if they are in doubt whether such activity embody a conflict-of-interest.
9. The primary obligation of determining whether an individual is in a situation of conflict-of-interest shall rest with that individual. In the event that an individual feels that he/she is in a situation of conflict-of-interest or a position that could potentially lead to a situation of conflict-of-interest, he/she shall be under obligation to declare that to his/her immediate superior with regard to the relevant activity and seek her/his opinion regarding whether the situation constitutes a conflict-of-interest. If the superior officer consulted does not feel that he/she is able to determine if the situation in question constitutes a conflict-of-interest, or if the individual is not satisfied with the opinion of the superior officer for some reason, then the matter should be referred to the next level in the management structure.
10. The University is of the view that a full disclosure of any conflict-of-interest followed by credible, genuine, and effective measures in managing and monitoring the situation are the key steps in preventing and resolving such situations. The University considers that a full disclosure demonstrates good faith on the part of the staff member and shall be used to protect his or her reputation and that of the University.
11. A declaration of an actual/potential/perceived conflict of interest in itself shall not necessarily restrict or preclude an individual from engaging in the relevant activity. The process of disclosure and careful fact-analysis may clarify doubts on the activity and may later be deemed acceptable and permissible.

12. Individuals shall regularly review the relationship between their private interests and their university duties in order to identify any changes in relation to the notion of conflict-of-interest.
13. The University shall have a proactive approach to assessing and managing the risks involved in situations of conflict-of-interest. Under this Policy, the University shall develop further guidelines to be followed when engaging in high-risk activities and shall commit itself to enforcing the relevant existing laws, rules and regulations to the maximum extent possible.
14. On request, the University shall accept declarations on situations of conflict-of-interest in a confidential manner; however, the declaration and a report on the decision with regard to the declaration shall be archived by the relevant officer (the Deputy Registrar, Senior Assistant Registrar/Assistant Registrar) in case of Faculties/Institutes, and a relevant officer identified by the Registrar in case of the other Divisions/Units/Centres of the University. All other regular declarations shall be archived along with the relevant documents/files.
15. Individuals shall follow one or a combination of mitigation strategies listed below in managing situations of conflict-of-interest:
  - a. relinquishing the private interests by the concerned individual;
  - b. restricting the involvement of the concerned individual in the relevant activity;
  - c. employing a disinterested third party to oversee the activity in question;
  - d. removing the concerned individual from the activity in question if the conflict cannot be managed using the above strategies.
16. The University shall establish and maintain a mechanism and procedures for individuals to declare conflicts of interest and to assess the seriousness of the declared **actual/potential/perceived** and **direct/indirect** conflicts-of-interest. The University shall make it mandatory for its employees/partners to declare any conflicts of interest particularly in the case of high-risk activities. The declaration form shall contain specific instructions for completing and submitting the form and outline a plan for managing situations of conflict-of-interest (as of #15).
17. In entering into MOUs, agreements and contracts, the identified interests of all the individuals shall be considered, analyzed, and documented. Any doubts shall be referred to

the Legal Division of the University and decided based on its clarifications and adjudications. The decision shall be fair by all involved individuals based on available legal provisions. And in such mutual contracts the University, its staff members and students shall experience no or minimum damages or losses.

18. All officers of the University, Directors, Heads of Departments and Administrative and Financial Officers shall sign a conflict-of-interest declaration form on the appointment and they shall review the validity of their declaration annually.

19. When reports of apparent/perceived conflict of interest, failure to manage those or complaints of potential breaches are received, the University shall address it with the relevant individuals transparently and collaboratively through relevant authorities such as (Registrar, Directors of Centers, Directors of Institutes, Deans of Faculties, the Deputy Vice-Chancellor and the Vice-Chancellor).

20. The DR/SAR/AR of the Legal Division shall be contacted in a dispute for further clarification. When a collaborative solution is not possible and a breach or a potential breach is apparent to the legal Division, the Vice-Chancellor shall appoint a review panel to review the dispute in relation to the disputed conflict-of-interest and the report be submitted to the Registrar, the Vice-Chancellor or the University Council depending on the involved individual. The University Council shall exercise powers and authority vested in it to judge the seriousness and take appropriate actions within available legal provisions.

21. The University shall promote awareness on conflict-of-interest and related policies and processes among all individuals attached to the University

**Définition:**

1. Conflicts-of-interest: A situation in which a public official or fiduciary who, contrary to the obligation and absolute duty to act for the benefit of the public or a designated individual, exploits the relationship for personal benefit, typically pecuniary.
2. Conflicts of interest can take the form of
  - a) An *actual conflict of interest*: There is a actual conflict between an individual's university duties/commitments and private interests.

- b) A ***potential conflict of interest***: An individual has private interests that could conflict with their university duties/commitments. This refers to circumstances where it is foreseeable that a conflict may arise in future and steps should be taken “now” to mitigate that future risk.
- c) A ***perceived conflict of interest***: The public or a third party could have the view that an individual’s private interests could improperly influence their decisions or actions in the university duty/commitments, now or in the future
- d) **Conflict-of-duty**: A conflict that arise when a person is required to fulfil two or more roles that may actually, potentially or be perceived to be in conflict with each other
- **Private interests**: A private interest means anything that can influence an individual. Private interests include direct interests, such as an employee’s own personal, family, professional or business interests. They also include indirect interests arising from personal (including consensual), family, professional or business relationships with individuals or groups whom the individual is or was recently closely associated. Private interests may be pecuniary (i.e. financial), which includes any actual, potential or perceived financial gain or loss. They may also be non-pecuniary, which includes any tendency toward favour or prejudice resulting from personal or family relationships, such as friendships, enemies or sporting, cultural or social activities.

**Related policies if any:**

Code of conduct/ for academic staff in the University of Peradeniya

**Related Acts, Rules, Regulations, Key Circulars (if any available):**

Establishment Code Chapter – XXI , Section 1:5

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