



Australian Government

Australian Research Council

**ARC Conflict of Interest and
Confidentiality Policy**

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1. Introduction

- 1.1 This policy, issued by the Australian Research Council (ARC), outlines the conflict of interest and confidentiality obligations that apply to all individuals involved in the full scope of ARC business including, but not limited to, committee members, reviewers, researchers¹, ARC Chief Executive Officer (CEO), ARC employees and contractors.
- 1.2 As a non-corporate Commonwealth entity within the Australian Government, the ARC is required to maintain a high standard of professionalism and ethical conduct in its operations. It is essential that public confidence is maintained in the integrity of all ARC business operations.
- 1.3 This policy is designed to ensure that all conflicts of interest are identified, disclosed and managed in a rigorous and transparent way that promotes public confidence in the integrity, legitimacy, impartiality and fairness of ARC processes. Consequently, all individuals carrying out ARC business are required to:
 - behave in accordance with the Australian Public Service Values and Code of Conduct: <http://www.apsc.gov.au/aps-employment-policy-and-advice/aps-values-and-code-of-conduct>;
 - act with integrity, objectivity, openness and honesty;
 - be accountable for their decisions and actions;
 - be subject to an appropriate level of scrutiny;
 - provide assurances to the ARC that they will abide by the ARC confidentiality requirements; and
 - disclose any conflicts of interest related to their official duties.
- 1.4 This policy has been developed in accordance with the Australian National Audit Office (ANAO) recommendations provided in the *ANAO Reports No. 38 2005-2006: The Australian Research Council's Management of Research Grants* and *No. 47 2013-2014: Managing Conflicts of Interest in FMA Agencies*.
- 1.5 This policy meets the requirements set out within the *Public Governance, Performance and Accountability Act (2013)*.

2. Conflict of Interest

2.1 Definitions

- 2.1.1 A **conflict of interest** is a situation in which someone in a position of trust has competing professional or private interests. Such competing interests could make it difficult for an individual to fulfil his/her duties impartially, and could improperly influence the performance of their official duties and responsibilities.
- 2.1.2 An **apparent conflict of interest** exists where it appears that an individual's other professional or private interests could improperly influence the performance of their duties and responsibilities. Individuals must be conscious that perceptions of conflict of interest may be as important as an actual conflict.
- 2.1.3 A **risk of conflict of interest** arises where an individual has a professional or private interest which is such that an actual conflict of interest may arise if they were to become involved in relevant official duties and responsibilities in the future.
- 2.1.4 In the context of this policy, **conflicts of interest** refer to all three definitions found in clauses 2.1.1, 2.1.2 and 2.1.3.

¹ In the context of this policy, 'researcher' refers to all individuals on a Proposal for ARC funding or engaged in ARC-funded research.

2.1.5 In relation to ARC projects funded under the National Competitive Grants Program (NCGP), ARC Funding Rules refer to conflicts of interest as "...any conflict of interest, any risk of a conflict of interest and any apparent conflict of interest arising through a party engaging in any activity, participating in any association, holding any membership or obtaining any interest that is likely to conflict with or restrict that party participating in the Project."

2.2 Disclosing Conflicts of Interest

2.2.1 Individuals must consider the risk for conflict of interest in all possible areas including:

- professional positions;
- membership of committees of other organisations;
- consultancies;
- boards of directors;
- advisory groups;
- professional relationships;
- family and personal relationships; or
- financial interests, including receiving recompense in the form of cash, services or equipment from other parties to support research activities.

2.2.2 When undertaking ARC business, an individual must clearly disclose any conflicts of interest which may impact their ability to perform the role for which they have been selected. A conflict of interest may also exist where an individual's partner or immediate family member has any of the interests listed in clause 2.2.1. The term 'partner' may refer to personal or business partners.

2.2.3 For ARC committee members and reviewers, a conflict of interest may arise in the following situations, where an individual:

- has a contractual or employment arrangement with a university, or any organisation that is named in a current Proposal, evaluation process, or other documentation relating to any ARC business under his/her consideration;
- owns shares in, or exercises control in a company or other organisation named in any current Proposal or evaluation process that is under his/her consideration, or in which he/she has direct involvement; or
- is involved in any other ARC committee process where he/she may have a direct or indirect involvement in the matters being considered.

2.2.4 The above is not an exhaustive list. For further advice relevant to ARC business areas, contact the ARC.

2.2.5 The obligation to disclose conflicts of interest is ongoing. Where required by the ARC, individuals must disclose conflicts of interest to the ARC annually. Individuals are required to update that information as soon as possible if any significant changes occur to their or their immediate family/partner's interests. Any private information disclosed to the ARC will be treated as confidential and in accordance with the Information Privacy Principles set out in the *Privacy Act 1988* <http://www.oaic.gov.au/privacy/privacy-act/information-privacy-principles>.

2.2.6 Any individual reviewing material for the ARC must agree to a confidentiality and conflict of interest statement.

2.2.7 If an individual appointed to undertake ARC business has, or acquires, an interest that could conflict with the proper performance of his or her appointed functions, they must disclose to the ARC, in writing, details of the nature of the interest and its relationship to ARC business as soon as possible after the relevant facts come to the individual's knowledge. In cases where an individual declares a conflict of interest in relation to a matter under consideration by the ARC or one of its committees, the ARC CEO or a delegate will determine the extent to which that member may be involved in discussion or decisions concerning that matter.

- 2.2.8 Conflicts of interest will be subject to regular review by the ARC; however the responsibility to identify, disclose and update conflicts remains with the individual.
- 2.2.9 Conflicts of interest may exist, or arise, for those individuals applying for ARC funding through NCGP schemes, including between parties within the same Proposal. All parties must disclose any conflicts of interest that exist, or are likely to arise, to the Administering Organisation. It is the responsibility of all parties engaged in ARC-funded research to disclose any conflicts of interest that arise for the duration of the Project.
- 2.2.10 Administering Organisations are required to have documented processes in place for managing conflicts of interest for the duration of the Project. Such processes must comply with the applicable ARC Funding Agreement, the *Australian Code for the Responsible Conduct of Research (2007)*, and any relevant successor documents.
- 2.2.11 It is the responsibility of Administering Organisations to bring the ARC Conflict of Interest and Confidentiality Policy requirements to the attention of researchers and relevant employees. Administering Organisations must certify that all conflicts of interest have been disclosed to them and will be managed appropriately.
- 2.2.12 All Australian Public Service (APS) employees and contractors are expected to adhere to the APS Values and Code of Conduct, which include guidelines on declaring conflicts of interest and maintaining confidentiality whilst working in the APS. The ARC requires all employees and contractors to disclose any conflicts of interest within four weeks of commencement of employment. Conflict of interest information will be reviewed annually and employees and contractors are responsible for disclosing any additional conflicts that may arise as soon as possible.

2.3 *Evaluating and Managing Conflicts of Interest*

- 2.3.1 The ARC has strict processes in place for evaluating and managing conflicts of interest. The ARC will consider the potential implications of conflicts of interest in determining the most appropriate management strategy.
- 2.3.2 In some instances, it may be necessary to remove the individual from any involvement in the matter causing the conflict and to recruit an impartial third party to oversee part or all of the processes involved in the matter. Any measures taken by the ARC will be documented.
- 2.3.3 Decision-making processes in research-related areas often require expert advice. In some cases, the available pool of experts in a field can be so limited that all available experts have an association with the matter under consideration. In such instances, judgements need to be made by the ARC which balance the benefit of having persons with expertise involved against the risks of their interests causing bias in a process.
- 2.3.4 The ARC may determine that some conflicts of interest are not so material that they could affect the individual's ability to give full and unbiased consideration to the matter at hand and should not deprive the ARC of the individual's expertise and knowledge. All conflicts of interest must still be disclosed to the ARC.
- 2.3.5 The ARC has developed processes to identify and manage conflicts of interest that may occur in its various areas of business, and at all times decisions will be made to maintain the fairness, timeliness, competitiveness and impartiality of processes. The onus is on the individual to disclose their conflicts of interest.
- 2.3.6 Standard operating procedures specific to ARC business areas will be developed to ensure that the requirements identified in this policy are met and that identified conflicts are evaluated and managed in a clear, transparent and consistent manner.
- 2.3.7 Throughout ARC committee business, conflicts of interest will be recorded in a register and/or minutes of meetings. In preparation for and during selection and evaluation meetings, conflict of interest information will be entered into the ARC's IT systems. Conflicts of interest of a personal nature will be kept in a secure register

within the ARC. Relevant staff will be notified that other conflict of interest information is held by the ARC for specific members or assessors. This information will be reviewed by relevant staff to ensure accuracy and to determine its relevance to current ARC business.

- 2.3.8 Where a conflict of interest is grounds for the individual to not be privy to the information under consideration, the individual will not take part in any decision-making processes and will absent themselves from the room when the information is being discussed.
- 2.3.9 The ARC will note, record and monitor the ongoing relevance of all conflicts of interest.
- 2.3.10 ARC committee members who fail to follow proper process in the disclosure and management of conflicts of interest may be in breach of their fiduciary duty. This will lead to termination of appointment, and may result in the ARC seeking legal redress for breach of that duty.
- 2.3.11 The ARC will maintain robust internal processes for managing conflicts of interest that may exist or arise for its employees.

3. Confidentiality

- 3.1 All individuals carrying out ARC business are required to preserve the principles of confidentiality outlined in this document and agree to confidentiality obligations.
- 3.2 Information contained in application, assessment and evaluation processes is given and received in confidence. Information must be handled and treated as confidential material and must be used only for the purposes of ARC business. In order to preserve confidentiality, individuals should not discuss ARC business with any other party at any stage, unless specifically authorised to do so.
- 3.3 It is unethical and unlawful for individuals to use for other purposes any information, including intellectual property, contained in Proposals, evaluation material or other documentation provided to them by the ARC. To protect confidentiality, individuals must destroy all such information provided by the ARC once the purposes for which it was provided have been fulfilled.
- 3.4 Under the *Australian Research Council Act 2001*, one of the functions of the ARC Chief Executive Officer (CEO) is to provide advice to the Minister on research matters. In preparing advice for the Minister, the ARC consults widely and often enters into public consultation on issues relevant to its responsibilities. Once advice is developed, it remains confidential unless released by the Minister.
- 3.5 This policy should be read in conjunction with any relevant business area documentation.

4. Summary

- 4.1 When engaging with the ARC as a committee member, reviewer, researcher or employee, the individual is responsible for reading and understanding this policy and for reviewing their current activities for conflicts of interest.
- 4.2 It is also the individual's responsibility to disclose any possible conflicts of interest to the ARC, in writing, as soon as they become evident.
- 4.3 Further information can be found on the ARC website at www.arc.gov.au.

5. Contact details

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