

IPACS Benchmark Guidelines

Updated 1 February 2022, version 6

IPACS Benchmark C8 – The organisation has conflict-of-interest rules identifying actual, potential and perceived conflicts, with exclusion of members with an actual conflict from decision-making

Definitions

- IOC Code of Ethics 2020, Rules Concerning Conflict of Interest Affecting the Behaviour of Olympic Parties, Article 2:
 - Actual conflict of interest – An actual conflict of interest occurs when a person, acting alone or within an organisation, expresses an opinion or participates to a decision while this person is liable to be influenced by relations that the aforementioned person has, has had or is on the point of having with another person or organisation that would be affected by the person's opinion or decision. An actual conflict of interest may occur irrespective of whether or not the person has declared the relevant interests
 - Potential or perceived conflict of interest - A potential conflict of interest or perceived conflict of interest arises when the opinion or decision of a person, acting alone or within an organisation, could be reasonably considered as liable to be influenced by, relations that the aforementioned person has, has had or is on the point of having with another person or organisation that would be affected by the person's opinion or decision.

Please also refer to the work done by [IPACS Task Force 2 on conflicts of interest](#)

Introduction to this Benchmark and its significance

- Decisions made by the organisation should be based only on the best interests of the organisation, regardless of any competing benefits or loyalties that relate to individuals in decision-making roles
- Those within an organisation and stakeholders are more likely to trust an organisation which demonstrates that conflicts of interest are managed in an appropriate way
- In some jurisdictions, governing body members of a sports organisation may have legal obligations regarding conflicts of interest
- Certain conflicts of interest and/or loyalty are inherent in almost all sports organisations that are membership bodies, when individuals are elected from among the membership to the governing body or other roles; a conflict of loyalty may arise when an individual is a member of a committee in a representative capacity, occupying two roles; having appropriate rules in place helps protect individuals who have a conflict of loyalty or a potential/perceived conflict of interest

Commentary on the action to be taken

- The organisation should establish conflict-of-interest rules designed to ensure that decisions made are based only on the best interests of the organisation
- Elected, appointed and employed individuals (respecting domestic employment legislation) should make a declaration of their interests and those of their immediate family (where appropriate) on joining the organisation and at regular intervals or when there is a significant change; the "immediate family" should be defined
- A register of interests should be published, when appropriate
- There should be a standard agenda item on conflicts of interest in meetings so that individuals can declare relevant interests
- Individuals who have a potential or perceived conflict of interest in a particular topic should be excluded from decision-making on that topic (e.g. leaving the room before the item is discussed in a meeting, not participating in a vote); in this way they avoid the situation of an actual conflict of interest
- Both direct and indirect interests (e.g. interests of the immediate family of individuals involved in the organisation) should be taken into account
- Types of interests include financial, professional, political, business, nationality, institutional interest/loyalty and more
- The organisation should provide education to individuals about conflicts of interest

- The organisation should have an independent person or committee to supervise implementation of the conflict of interest rules and provide advice, where necessary
- The organisation should have a channel to receive reports, as well as procedures to investigate and conduct a disciplinary case in the event of an alleged breach of the rules
- In some circumstances, it may not be possible for an individual to occupy two roles without there being a conflict of interest that cannot be resolved in a satisfactory way; in these circumstances, the rules should require the individual to resign from one of the roles
- See also Recommendations B1 (Code of Ethics), B4 (whistleblower reporting), C5 (eligibility rules) and D7 (integrity education), E9 (event allocation process)

Investment requirement – there are limited costs for internal procedures; some additional investment may be required for active monitoring

Guidance according to stage of organisation

Early stage

- The organisation has and implements conflict-of-interest rules, which may be incorporated in the Code of Ethics or a separate document
- The organisation requires individuals to declare their interests and those of their immediate family (where appropriate)
- The organisation requires individuals with potential or perceived conflicts of interest not to participate in discussions or voting on the subject, in order to avoid an actual conflict of interest arising
- The organisation has rules to sanction individuals who breach the rules (e.g. for not declaring a relevant interest)

Developing

- The organisation's conflict-of-interest rules differentiate between actual, potential and perceived conflicts of interest and illustrate these definitions by providing specific examples
- The organisation maintains an up-to-date conflicts' of interest register, which is published, when appropriate
- The organisation has a standing item on meeting agendas on conflicts of interest, which is minuted
- Implementation of the conflict-of-interest rules is monitored actively with referral to an independent person/committee when necessary
- The organisation publishes information about conflict-of-interest rules in sport event bidding documentation

Advanced

- The organisation limits access to related information for individuals with a declared conflict on a particular topic
- Advice is provided to individuals within the organisation about conflicts of interest, with referral to an independent person/committee when necessary
- The organisation offers education to individuals about conflicts of interest

Good practice examples

International Federations (from 2020)

- World Sailing: [Conflicts of interest policy](#). [Register of interests](#) published for elected officials
- FIFA – [Code of Ethics](#): includes guidance to FIFA Officials, Article 19 paragraphs 1-4
The FIFA Compliance Pocket Guide on [Conflict of Interest](#) includes practical guidance to FIFA employees on identifying and managing conflicts and detailed explanation of terms
- ITU – [Conflict of Interest Declarations](#) by the Executive Board members are signed and published on the website
- International Climbing and Mountaineering Federation – [Conflict of Interest policy](#) published, which includes compatibility matrix
- World Curling Federation - [Conflict of Interest policy](#), including declaration form

Overall standard among International Federations:

- 22 out of 31 members of ASOIF were able to demonstrate implementation of conflict-of-interest rules in the 2019-20 review
- This topic was one of 20 covered in the 2018-19 GAISF assessment for non-Olympic sports (compared to 50 topics for Olympic sports) as it was judged to be important and feasible for small organisations to achieve

Continental Bodies

- Olympic Committee of Asia – conflict-of-interest rules in the [Code of Ethics](#) – Annexure 4

National Olympic Committees

- New Zealand Olympic Committee – conflict-of-interest provisions in [Code of Ethics](#)
- Moroccan Olympic Committee – reference to avoiding conflicts of interest – [Statutes](#), Article 25
- Colombian Olympic Committee – conflict-of-interest rules in [Code of Ethics](#)

National Federations

- French Tennis Federation – the [Codes of Ethics](#) contains specific conflict-of-interest rules, an Ethics Committee is responsible for receiving complaints on alleged breaches of the rules and for issuing opinions on ethical matters, including on the prevention of conflicts of interest

Selected references

- International Partnership Against Corruption in Sport (IPACS): [Task Force 2 – Good practice examples for managing conflicts of interest in sport organisations](#)
- [ASOIF GTF Questionnaire 2019-20](#), Indicator 4.8
- [SIGGS](#) Principle 1 (Integrity), Indicator 3 - How does your organisation manage conflicts of interest?; Roadmap Principle 4
- European Commission Expert Group on Good Governance, [“Principles of Good Governance in Sport”](#):
 - Principle 4.e(5): Minimum democratic principles for appointment to decision making bodies – The enforcement of a code of conduct or by-law which includes an express obligation for decision makers to:
 - Adopt the highest ethical practices
 - Act independently in the interests of the sports body as a whole
 - Not make decisions in which they have a business or personal interest
 - Declare conflicts of interest
 - Principle 6.a: Requirements for the board
- Geeraert, A. (2018). [Sports Governance Observer 2018](#). An assessment of good governance in five international sports federations. Aarhus: Play the Game/Danish Institute for Sports Studies, p.11-15:
 - Principle 38: The organisation establishes clear conflict of interest procedures that apply to the members of the board
- IOC’s [“Consolidated Minimum Requirements for Implementation of the Basic Principles of Good Governance for NOCs”](#):
 - Theme 2.8 “Conflicts of interests”, Principles 1-3:

As a general principle, members of any decision making body should be independent in their decisions

No-one with a personal or business interest in the issue under discussion should be involved in the decision

Adequate procedures should be established in order to avoid any conflicts of interests

- Document EPAS(2018)47rev3 – “Optimising the processes of compliance with good governance principles to mitigate the risk of corruption”:
Paragraph 3: Conflict of interest

ASOIF indicator 4.8 – scoring definitions used in the 2019-20 assessment

- 0 – No
- 1 – Some conflict of interest rules
- 2 – Defined conflict of interest policy
- 3 – Defined conflict of interest policy, evidence of implementation
- 4 – State of the art conflict of interest policy, checked against register and evidence of implementation