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Joy Development Organization

# Joy Development Organization (JDO)

## Conflict of Interest Policy



July 2023  
Hawassa, Ethiopia

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# Conflict of Interest Policy

## 1. Policy Statement

Joy Development Organization (JDO) operating nationally is committed to conducting businesses in a fair, transparent, accountable, and impartial manner. It therefore focuses on setting the minimum sets of procedures for effectively managing conflict of interest, and to create an environment where JDO employees, board, and managers, thereafter, referred as representative in this document, are comfortable declaring any conflict, they might find themselves in, this will enable JDO to manage its exposure to fraud and corruption.

## 2. Purpose and Scope

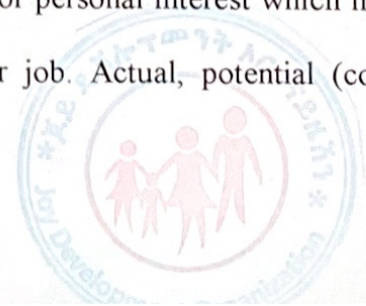
The purpose of this Policy is to prevent conflicts of interest where possible and if not possible, to deal with them in an ethical and responsible manner, to disclose them and to mitigate the risk of Conflicts of Interest.

This document is in line with the JDO Anti-Fraud and Bribery policy, Anti-Corruption Policy as well as JDO Code of Conduct.

## 3. Definitions

**Conflict of interest:** A situation in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity.

A conflict of interest arises where a representative has a private or personal interest which may, or could be perceived to compromise their ability to do their job. Actual, potential (could



develop) or perceived (could be considered likely) conflicts of interest can arise across all areas of our work. Conflicts may be of a personal, financial, or political nature. If a person has concerns about another person's perceived conflict of interest, they are encouraged to speak with that person directly to ascertain how it is being handled.

Examples of conflicts of interest which could arise are, where a JDO representative (these are examples only and not an exhaustive list):

- Has a direct or indirect interest in an organization with which JDO does business, e.g. a supplier or partner organization;
  - Hires, manages or being involved in employment decisions of a family member, friend or associate;
  - Is involved in a close personal relationship by two representatives of JDO, particularly where there is a reporting relationship or where the two parties may both be part of a decision-making team;
  - Uses JDO resources (including paid staff time, equipment, materials or any other resources) for non-JDO related gain;
  - Accepts gifts, hospitality or other benefits from a supplier, especially during contract negotiations;
  - Participates in a tender process where there is a vested interest in one of the participating organizations;
  - Proposes to source goods or services for JDO from an organization that they have a financial interest in (either directly or indirectly);



- Is involved in professional activities that take time away from the execution of one's full time position with JDO. This includes things like running a family business, having a second job, being a board member in another organization with similar business areas;
- Receives financial benefits directly or indirectly due to their relationship/affiliation with another representative.

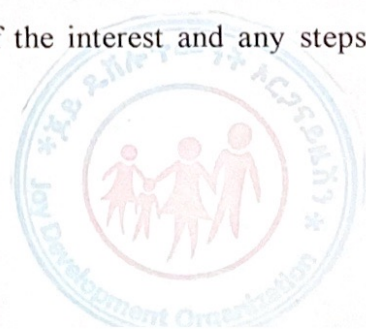
#### **4. Principles and approach**

**Disclosure Form:** A conflict of interest is not necessarily a problem. Conflicts and potential conflicts are not unusual and can generally be managed by putting in place simple measures and ensuring appropriate communication. The process for raising a conflict is to complete the Conflict-of-interest Disclosure Form which will be reviewed in the first instance by the administrative managers. Where required, this may include review by the other member of the management group or the Board.

Where a conflict of interest pertains to a Board decision, the interested person(s) must advise the Board in advance and absent themselves from the deliberation and/or voting on the matter. The official minutes of the Board shall reflect that the conflict of interest was disclosed, and the interested person(s) did not participate in the final discussion or vote and did not vote on the matter.

**Handling:** Conflicts of interest will be considered on a case-by-case basis by the relevant administrative manager. In most cases, a conflict of interest can be managed in a number of ways including but not limited to:

- a) Documenting the conflict, the nature and extent of the interest and any steps taken to address it (e.g. in minutes or a register of interests)



- b) Restricting or removing the person with the conflict from participation in discussion and decision making.
- c) Recruiting an independent person to oversee a process where a conflict needs to be managed and a person cannot be removed from it;
- d) Having the person relinquish the private interest that gives rise to the conflict.

**Breach:** Any JDO representative behaving contrary to this policy may be subject to disciplinary action, up to and including dismissal.

## 5. Responsibilities

- ❖ All JDO representatives are responsible for taking all necessary and appropriate steps to mitigate any conflict of interest within their areas of responsibility.
- ❖ The management group must ensure that the declaration form is filled when recruiting new staff and monitoring the changes on an ongoing basis.

