Swedish Research Council: Conflict of Interest Policy

Approved by the Governing Board of the Swedish Research Council on April 3, 2001. The Director General of the Council prepared the following abridged version at the request of the Governing Board (Swedish version released February 21, 2006).

1. What Constitutes a Conflict of Interest?

Policies concerning conflict of interest are addressed in the Administrative Procedure Act (1986:223), a general Act covering all administrative authorities in Sweden.

According to Section 11 of the Act, the policies concerning conflict of interest apply to persons charged with handling a matter. This concept covers not only the individuals that participate in the final decision/action regarding a matter, but also those involved in processing the matter. The determining factor is whether or not the person in question is involved in such a way that he or she could potentially influence the outcome.

The Administrative Procedure Act (1986:223) describes conflicts of interest as:

Conflicts involving private interest, personal involvement, and family ties

Persons charged with handling a matter have a conflict of interest:

- If the matter concerns themselves or their spouse, parents, children, siblings, or someone else closely related to them.
- If they or someone closely related to them can expect extraordinary advantage or detriment from the outcome of the matter.

Conflicts involving legal representation

Persons charged with handling a matter have a conflict of interest:

- If they, or anyone closely related to them, legally represent someone that the matter concerns or anyone that can expect extraordinary advantage or detriment from the outcome of the matter.

Conflicts involving organizational roles
Persons charged with handling a matter have a conflict of interest:

- If the matter has been brought before the authority by an appeal against or the subordination of the decision of another authority, and the person has taken part earlier under the auspices of the subordinate authority in the final handling of a matter concerning the same material issue.
- If the matter has been brought before the authority by reason of the supervision of another authority, and the person has taken part earlier under the auspices of the subordinate authority in the final handling of a matter concerning the same material issue.

Conflicts involving proxies or agents

Persons charged with handling a matter have a conflict of interest:

- If they have served someone as a proxy or have assisted that person for payment as regards the material issue.

Conflicts involving special circumstances

Persons charged with handling a matter have a conflict of interest:

- If some other special circumstance is likely to undermine confidence in their impartiality in the matter.

1.1. Why a Conflict of Interest Policy?

Policies concerning conflict of interest (as with other administrative policies that apply to public authorities) have the following functions:

- To guide the organisation and implementation of work performed by the authority and to assure objective and impartial handling of matters.
- To engender confidence among the parties concerned and the public that the above takes place.

2. Conflict of Interest Policy at the Swedish Research Council

Responsibility for adhering to the conflict of interest policy rests partly with the administrative authority itself and partly with the person charged with handling a matter (italics indicate the
The person charged with handling a matter is a concept that includes administrators and officials. Hence, this applies to everyone within the Swedish Research Council organisation, i.e. the governing board, scientific councils, committees, working groups, prioritisation committees, experts, and secretary generals.

The work of the Swedish Research Council differs in several respects from the work of other authorities. A key difference is that most members of the decision-making bodies are appointed to represent the community of researchers directly affected by the decisions. This creates a special risk for special circumstances, which are described below in greater detail.

General considerations

- Persons with a conflict of interest may not be charged with handling a matter, i.e. they may not participate in processing a matter or in making decisions concerning the matter.
- Persons who are aware of a situation where they might be perceived to have a conflict of interest shall voluntarily disclose this.
- If a question involving conflict of interest arises concerning someone, and if no replacement has been appointed, the Swedish Research Council shall quickly resolve the issue. Persons suspected of having a conflict of interest may participate in assessing the issue only if the issue cannot be resolved without their participation, and if someone else cannot be called in without excessive delay.
- A decision on a conflict of interest may be appealed only in conjunction with an appeal of the authority’s decision in the matter.

Conflicts involving special circumstances

This category covers the situations not covered by any other grounds for a conflict of interest. However, it should not be used routinely as soon as other grounds for conflict of interest do not formally apply. Substantial reasons are required for its application.

Examples of conflicts involving special circumstances might include:
- close collaboration in a professional context
- obvious friendship or hostility
- dependent relationship of an economic nature
- supervisor–subordinate relationship
- someone engaged in the matter in a way that suspicion can easily arise that the conditions for impartial judgement are inadequate.

The individual situation must be assessed based on the nature and scope of the relationships and...
The following situations may carry a particularly high risk for conflict of interest and/or may be perceived to jeopardize confidence.

- When the person charged with handling a matter is affiliated with the same institution (particularly if small or mid-sized) or other independent economic entity as the applicant.
- When the person charged with handling a matter is potentially dependent on the applicant in another context. An example would be if the applicant were responsible for assessing the qualifications, grant application, institution, or topic of the person charged with handling the matter.
- When the person charged with handling a matter has an ongoing, or recently concluded, close relationship with the applicant, e.g. a teacher-student relationship or joint research project.
- In some cases, joint authorship of books or articles may present a sensitive situation. The determining factor is whether or not there has been close collaboration in a professional sense. Since publication practices vary widely among different fields it is not possible to establish common guidelines that would apply to the entire Swedish Research Council.

Among persons charged with handling a matter, those at greatest risk for a conflict of interest would be those who are active in science, mainly the members of the Governing Board, scientific councils, working groups, and prioritisation committees, but even experts and secretary generals. Research grant applications from members of the Governing Board, the scientific councils, committees, working groups, and prioritisation committees may not be processed in the group where the member holds a position as chair, member, or observer. Special rules on research funding apply to secretary generals.

2.1 Preventing conflicts of interest

The Swedish Research Council uses the following guidelines to prevent a conflict of interest.

- At an early stage, lists of applicants should be sent to persons charged with handling matters in the relevant scientific councils, committees, working groups, and prioritisation committees. The members should be instructed to disclose any conflict of interest, or potential risk for a conflict of interest, related to any of the applications.
- The members should be asked to disclose any other risks, beyond the ones listed in this document, for conflict of interest.
- When the working groups and prioritisation committees are appointed and the applications are distributed, the conflict of interest issue should be addressed and conflict of interest situations avoided. This can be done, e.g. by appointing the working groups and prioritisation groups after the applications have been received, or by re-assigning an application to a different group.
• Persons charged with handling a matter shall not be assigned to report on an application when there is a risk for conflict of interest.
• Persons charged with handling a matter shall not be present when an application is processed in a working group or prioritisation committee if there is a risk for conflict of interest.
• When an application is processed as a part of a batch (e.g. when a scientific council concurrently decides on several applications based on a prioritisation list from a working group) the only persons prevented from participating are persons charged with handling a matter who have a conflict of interest in a legal sense.

Procedural rules pertaining to conflict of interest

The guidelines above cannot always prevent conflict of interest situations from arising. The most common cases are the following:

• A member of the Council applies for funding or employment.
• An application involves a highly specialised area where it is not possible to find members in the working groups or prioritisation committees who do not have a particular connection with the applicant.

In these and other cases where a conflict of interest might exist, a written statement shall be submitted from at least two external experts.

When a conflict of interest exists, the following measures shall be taken in handling a matter.
• The person with a conflict of interest shall leave the room.
• The conflict of interest shall be recorded in the minutes.
• The minutes shall also record cases where conflict of interest was assessed, but found not to exist.
• Minutes shall be taken regarding the conflict of interest, even if minutes of the meeting are not taken.

2.2 Decisions that do not apply directly to individuals

At times, situations arise that do not apply to any particular applicant, but where the person charged with handling a matter might, nevertheless, have a personal interest. This could include, e.g. establishing special research programmes, prioritising particular research areas, granting funds to infrastructure projects, and designing targeted funding of various types.

In such cases, the greatest assurance for impartiality would be peer evaluation and maximum transparency in documentation of the evidence upon which the decision is based.
Conflicts of interest are a serious issue for any organization, especially when it comes to handling matters that involve potential conflicts of interest. This document outlines a policy to address such issues.

Hence, anyone charged with handling a matter in such a context should endeavor to be impartial and, to the greatest extent possible, document the basis for his or her decisions. Anyone participating in a decision should thoroughly review the facts even if they do not report on, or are specialized in, the subject area.

3. Confidence issues

Confidence among the parties involved and the public in an authority’s ability to act impartially depends not only on its adherence to conflict of interest policies, but also on its adherence to other principles associated with these policies. Two such principles concern transparency and documentation.

3.1 Transparency

Transparency is addressed in the Administrative Procedure Act: “An applicant, appellant, or other party is entitled to have access to the material that has been brought into the matter, provided that the matter concerns the exercise of public authority in relation to someone.” This statute goes beyond the general principle of public access to information. Persons charged with handling matters at the Swedish Research Council should, whenever possible, assure a similar level of transparency even if the matter does not involve “the exercise of public authority in relation to someone”.

3.2 Documentation

The Swedish Research Council shall document the information used in decision-making. If the matter concerns “the exercise of public authority in relation to someone” the documentation must include the reasons for a decision. However, the reasons may be excluded if the decision concerns, e.g. a job appointment, admission to optional education, determination of grades, and allocation of research grants. If the reasons are excluded, the authority should provide them on request.

This policy is intended to protect the individual against disclosure of unfavourable information. If this interest is not jeopardised, the documented reasons for a decision should be reported.

Definitions

**Person charged with handling a matter**: Anyone who can influence the outcome of a matter during the processing phase (e.g. research project managers) and the decision-making phase (e.g. Council members).

**Handling**: All action taken by an authority on a matter, from start to finish (including decision-
Conflict of Interest Policy

making and any re-evaluation).

Matter: In a context of a legislative Act, the expression “handling a matter” usually refers to an administrative authority’s decision-making process.

Exercise of public authority in relation to someone: Decisions rendered in accordance with Acts or regulations that concern the rights and responsibilities of the individual. In the context of the Swedish Research Council, typical examples would be the decisions rendered on matters involving research grants and employment.

Conflict of interest: Conflict of interest refers to a situation which undermines confidence that a particular official or administrator will act impartially in handling a matter.

Conflicts of private interest, personal involvement, and family ties: The focus here is on private interests. The latter two situations are sufficiently self-explanatory. Conflicts of private interest are said to exist if the person charged with handling a matter can expect extraordinary advantage or detriment from the outcome of the matter. This does not refer to the legal interest (compare personal involvement) but to the actual interest of the person. Extraordinary advantage is not the same as special advantage, but something substantially greater is required for this situation to exist. A classic case would be if the person charged with handling a matter owns shares in a corporation involved in the matter. The decisive factors would be the amount of holdings and the importance of the matter to the corporation.

Conflicts of legal representation: In this context, legal representative refers mainly to persons authorized to sign for a company, an association, or any other legal entity, or those who are guardians, executors, or trustees for other physical persons, e.g. minors. The conditions are generally similar to those described above in section 1.

Conflicts of organizational roles: The person charged with handling a matter at a higher level of authority has already dealt with the matter at a lower level to the extent that his or her objectivity can be called into question. This assumes that the matter has arisen either through an appeal process or because of supervisory responsibilities. This also assumes that the person charged with handling a matter at the higher level had participated in final handling of the matter in question at the lower level. Usually, it does not include cases where someone within one and the same administrative authority participates in different phases of handling a matter.