



SOP Title:	Conflict of Interest
Partner Responsible:	Ethics Management
SP / WP / Task Involved:	SP12.4, SP11.1, EAB, all members of HBP governance bodies
Current status	Active

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Document Status

Date	Comments
10.09.2015	Initial draft
09.12.2015	Revised draft with definition of Col according to FPA
	Approval by EAB
25.01.2016	Approval by BoD
March 2017	Revised by Ethics Management
28.03.2017	Approval of revisions by EAB
07.07.2017	Feedback by SIB
25.09.2017	Discussion by SIB



1 Background

In January 2016, under FP7-Grant Agreement-604102, the HBP Board of Directors, following the advice of the Ethics Advisory Board (EAB) (*Letter to Chris Ebell, 06.09.2015*), approved a HBP standard operating procedure (SOP) with regards to conflicts of interest (Col).

In March 2017, in accordance with a change in governance structure, and the new FPA-CA-650003, which covers multiple (future) SGAs, this Col SOP has been revised.

2 Conflict of Interest - Definitions

In the Framework Partnership Agreement FPA-650003 Col are governed by the following articles:

2.0.1 41.1 Obligation to avoid a conflict of interests

The partners must take all measures to prevent any situation where the impartial and objective implementation of the specific actions is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ('conflict of interests').

They must formally notify to the Commission without delay any situation constituting or likely to lead to a conflict of interests and immediately take all the necessary steps to rectify this situation.

The Commission may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

2.0.2 41.2 Consequences of non-compliance

If a partner breaches any of its obligations under this Article, the grant may be reduced (see Article 49) and the Specific Agreement or participation of the partner may be terminated (see Article 56).

Such breaches may also lead to any of the other measures described in Section 5.

In the FPA-CA-65003, Col is additionally referred to in the following article:

11.3 Conflict of Interest

Each Party shall take all measures to prevent any conflict of interest as defined in Section 41.1 FPA. Furthermore a Party cannot simultaneously be chair of more than one of the following Governance Bodies: the Ultimate Decision-making Body, DIR or SIB. Members of Governance Bodies, Advisory Boards and Coordination Committees shall register their potential conflict interests in the appropriate conflict of interest registry. The Ultimate Decision-making Body will decide whether a conflict of interest will affect the participation of such Members in the Action.

Further guidance on the EC's view of such Col is available in the Annotated Model Grant Agreement. The relevant text is reproduced in Annex II of this SOP.



As the HBP sometimes runs open calls for proposals and thereby engages in peer review and grant allocation processes, the ERC Rules on Conflicts of Interest¹ may also be applicable.

Scientific Cols are discussed in the [Research Integrity SOP](#).

3 HBP Processes

Researchers must be honest about conflict of interest issues, whether real, potential or perceived, at the earliest opportunity and at all stages of research, e.g., when applying for funding, when identifying collaborators and when reporting results.²

3.1 Register of Interests

The HBP additionally maintains a Register of Interests that can lead to Cols (see above).

Members of the the three main Governance Bodies (DIR, SIB and SB) as well as the Advisory Boards and Committees (i.e., SAB, EAB, CAB) are required to declare interests that may lead to Col with regards to their respective role in the HBP. Other individuals or members of specific groups may be asked to register their interests, where appropriate.

The information for members who are required to make declarations shall be collated by the administrative support staff for each Body, Board or Committee and passed on to the Ethics Management Team in SP12.4 who will hold the overall Register. The Register will be made available to any member of the HBP or the public upon request. It will be forwarded to individuals tasked with activities that may raise conflicts of interest, for example open calls. The Register will be updated annually during the first calendar month of each year, and/or when new members are approved.

3.2 Dealing with Cols

In order to avoid the appearance or existence of compromising situations, all HBP members shall adhere to the following general rules:

- Whenever there is a possibility of a Col the affected HBP member will make this Col transparent.
- HBP members with a Col will physically step out of the room or interrupt electronic communication in an equivalent way when issues pertaining to the Col are discussed and refrain from exerting any influence on the decision making process.
- Col issues are included as a standing item on agendas and minutes related to funding decisions.

¹ https://webgate.ec.europa.eu/erc/webexp/files/erc_rules_on_conflict_of_interest.pdf accessed 13.03.2017

² [HBP: SOP on Research Integrity \(Section 2.2.2\)](#) accessed 13.03.2017



3.3 Suspected Col's

All HBP members who are reasonably suspected to have a Col and who have not followed the advice on how to deal with Col's can be asked by the Chair of the relevant Body, Board or Committee to step down temporarily from their leadership and HBP positions. This voluntary suspension of duties will be in place for the duration of internal or external investigation.

If the HBP member fails to follow this invitation, then the relevant Body, Board or Committee can vote with a $\frac{2}{3}$ majority to remove the member from their position for the duration of investigation.

If the relevant Body, Board or Committee votes not to remove the member, the reasons for this decision should be minuted.

4 Action: EAB check

All registers have to be filled in or updated by 30.10.2017.

The EAB will review the register at that point and will report on the status of the registry to the Ethics Manager who will instigate further action via DIR or SB.

5 Review schedule

This policy will be reviewed annually, in conjunction with the updating of the Register.

It will furthermore be reviewed when major changes to the HBP governance occur to ensure continued relevance.

1st revision: March 2017.

2nd revision: September 2017



6 Appendix I: Register of Interests

Please use the Register of Interests³ below to indicate interests that may lead to conflicts of interests with regards to your role in the HBP.

Please list as a minimum your employers over the last three years, any ownership or close financial or personal relationships with companies and sources of research funding.

Following the standard of leading journals (e.g. Cell, Nature), as a guideline, any affiliation associated with a payment or financial benefit exceeding \$1,000 p.a. or shared ownership of a company or research funding by a company with related interests would constitute a financial interest that must be declared.

Relevant patents or other types of intellectual property that may have an influence on decisions within the HBP should also be declared. This may be the case when a partner has intellectual property in a process that would be required, if a particular research project were funded.

The journal Nature offers a rule of thumb that HBP members may want to adopt: "Any undeclared competing financial interests that could embarrass you were they to become publicly known after your work was published."⁴

Relevant interests do not need to be exclusively financial. They may include personal relationships, scientific competition or other.

In cases where it is not clear whether an interest is to be declared, advice from the EAB can be sought. Possible conflicts can also be reported using the Point of Registration: www.hbp-pore.eu.

Name of Relevant Body, Board or Committee member	Description of interest	Does the interest relate to the member, or a person closely connected to the member?	Is the interest current?
EXAMPLES:			

³ This register of interests is modelled on the sample template provided by the "Good Governance Code" <http://www.governancecode.org/useful-resources/principle-5-behaving-with-integrity/> accessed 13.03.2017

⁴ <http://www.nature.com/authors/policies/competing.html>, accessed 13.03.2015



Name of Relevant Board, Body or Committee member	Description of Interest	Does the Interest relate to the member, or a person closely connected to the member?	Is the Interest current?
Prof. Brown	Founder of DEF research company	SIB member	No: Member resigned post in 2010
Prof. Brown	Employee of University of XYZ	SIB member	Current
Prof. Brown	Visiting professor of the University of ABC	SIB member	Current
Prof. Brown	PI of the project "understanding the brain", worth €2.3 million, funded by the company GHI	SIB member	Project ended in 2014
Mrs Clarke	Shareholder (30%) of DEF research company	SIB member's daughter	Current

Signature

Date



7 Appendix II: Reference to Col

7.1 AGA - Annotated Model Grant Agreement⁵

7.2 ARTICLE 35 – CONFLICT OF INTERESTS

7.2.1 35.1 Obligation to avoid a conflict of interests

The beneficiaries must take all measures to prevent any situation where the impartial and objective implementation of the action is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ('conflict of interests').

They must formally notify to the [Commission][Agency] without delay any situation constituting or likely to lead to a conflict of interests and immediately take all the necessary steps to rectify this situation.

The [Commission][Agency] may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

7.2.2 35.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 43) and the Agreement or participation of the beneficiary may be terminated (see Article 50).

7.3 Conflicts of interests:

The beneficiaries must ensure that the action is implemented impartially and objectively, as described in the GA. They must do their best to avoid conflicts of interest.

A "conflict of interests" exist if **shared interests**:

- influenced the contract's/subcontract's selection/award procedure
- influenced the contract's/subcontract's price and this does not correspond to the market price or
- affected the action's performance, as measured by the appropriate quality standards.

These interests may be:

- **economic interests** (e.g. unjustified and preferential contracts or subcontracts with connected companies (not based on best value for money, technical merit, etc.))

Examples:

A beneficiary subcontracts work to another legal entity at above the market prices because it is a shareholder or has economic interests in this other legal entity.

⁵ http://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/amga/h2020-amga_en.pdf, accessed 13.03.2017



A university subcontracts work to a consultancy firm owned by a professor carrying out part of the work for the project in which the university participates.

A university gives a preferential subcontract to its spin-off company: the contract is not based on the best value for money principle (i.e. the price is higher than the general market price for the same type of service).

- **political or national affinity** (e.g. beneficiaries or third parties are chosen, or research-related decisions are adopted, based on political considerations, connections or national affinity)

Example: The choice of an action's demonstration site is based on national affinities, not on the site's merits.

- **family or emotional ties** (e.g. contracts or subcontracts made with family members for their benefit)

Example: A husband works for a beneficiary who subcontracts work to an SME owned by his wife.

- **other shared interests.**

Examples:

If a beneficiary or third party participates in the action not because of its technical capacity and objective merits, but because it has a close relationship with someone else working for the action, and this affects the action's implementation.

If decisions made in the context of the action are taken not according to objective and impartial criteria, but because of these shared interests.

If entities with close ties create a professional relationship with the intention of being part of the action in order to satisfy other interests, and as a result, the quality of the implementation is (or is likely to be) compromised.

If there is a (risk of) a **conflict of interests**, the beneficiary must **inform** the Commission/Agency (via the Participant Portal), so that steps can be taken to resolve or avoid it.

This may result in the Commission/Agency putting in place certain measures.