



POLICY

Conflict of Interest Policy

Policies and Constitution

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APPROVED BY	BDA Board of Directors
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DOCUMENT CONTROL

Version	Date	Author	Description
1.0	[Date]	Ethics & Legal Committee	Initial Policy

1. PURPOSE AND BACKGROUND

The Burgersdorp Development Agency ("BDA") is committed to maintaining the highest standards of ethical conduct and good governance. The integrity of BDA's decisions, the trust of its funders, beneficiaries, and the public, and the reputation of the organisation all depend on every person associated with BDA acting with impartiality and in the best interests of the organisation at all times.

This Conflict of Interest Policy ("the Policy") establishes a framework to identify, disclose, and manage situations in which the personal interests of individuals associated with BDA may conflict, or may appear to conflict, with the interests of the organisation. The Policy aims to:

- Protect BDA from decisions that could be improperly influenced by private interests;
- Protect individuals associated with BDA from allegations of impropriety;
- Ensure compliance with applicable governance legislation and best practice; and
- Maintain the trust and confidence of donors, government, partners, and the public.

2. SCOPE OF APPLICATION

This Policy applies, without exception, to:

- All members of the BDA Board of Directors (including ex officio members);
- The Executive Director and all employees of BDA;
- All sub-committee and advisory committee members;
- Volunteers serving in a governance or decision-making capacity;
- Consultants and contractors who have access to sensitive BDA information or who participate in procurement or project decisions.

3. DEFINITIONS

Term	Definition
Associate	A person with whom an individual has a close personal or business relationship, including family members, business partners, and close friends.
Board Member	Any duly appointed member of the BDA Board of Directors.
Conflict of Interest	Any situation in which a person's private interests (financial, personal, or professional) could improperly influence, or appear to influence, the performance of their duties to BDA.
Disclosure	The act of formally revealing a conflict of interest or potential conflict to the appropriate authority as required by this Policy.
Financial Interest	Any direct or indirect ownership, shareholding, employment interest, loan, or other financial benefit in a business, organisation, or transaction.
Gift	Any item, service, hospitality, entertainment, or other benefit received from a person or organisation that has or seeks a relationship with BDA.

Material Interest	A financial or other interest that is substantial enough to reasonably influence a person's judgment or actions.
Perceived Conflict	A situation that a reasonable and informed person would consider to be a conflict, even if no actual conflict exists.
Potential Conflict	A situation that could develop into an actual conflict of interest.
Register	The BDA Conflict of Interest Register maintained by the Company Secretary.

4. TYPES OF CONFLICTS OF INTEREST

A conflict of interest may take various forms. This Policy recognises three main categories:

4.1 Actual Conflict of Interest

An actual conflict of interest exists when a person's private interests directly and currently conflict with their duties to BDA. Examples include: a board member voting on a contract award to a company in which they hold shares; or an employee approving a payment to a supplier operated by a family member.

4.2 Potential Conflict of Interest

A potential conflict of interest arises where circumstances could give rise to an actual conflict in the future. For example, a staff member who has applied for a position with a BDA supplier has a potential conflict regarding any decisions relating to that supplier.

4.3 Perceived Conflict of Interest

A perceived conflict of interest exists where a reasonable, well-informed person would conclude that a person's private interests are likely to compromise their objectivity, regardless of whether any actual compromise exists. BDA takes perceived conflicts seriously because they can damage public trust even in the absence of actual wrongdoing.

4.4 Common Examples

Without limiting the above, the following are common examples of conflicts of interest at BDA:

- A financial interest in a supplier, contractor, or partner of BDA;
- A personal or family relationship with a supplier, contractor, or job applicant;
- Receipt of gifts, hospitality, or other benefits from persons seeking to do business with BDA;
- Serving in a leadership role (director, trustee, etc.) in an organisation that competes with or contracts with BDA;
- Use of BDA information, resources, or opportunities for personal gain;
- Making decisions that benefit an organisation in which a family member is employed.

5. DISCLOSURE OBLIGATIONS

5.1 General Duty to Disclose

Every person to whom this Policy applies has a continuing duty to disclose any actual, potential, or perceived conflict of interest as soon as they become aware of it. The duty to disclose applies at all times and is not limited to formal meetings or decisions.

5.2 Who to Disclose To

Disclosures shall be made to the following:

- Board Members: Disclose to the Chairperson of the Board (or, if the Chairperson is implicated, to the Deputy Chairperson).
- The ED: Disclose to the Chairperson of the Board.
- Employees and Contractors: Disclose to their direct line manager and copy the ED.

5.3 Annual Declaration

In addition to ad hoc disclosure obligations, every person to whom this Policy applies must complete an Annual Declaration of Interest (Appendix A) at the following times:

- Upon commencement of their relationship with BDA (board appointment, employment, or engagement);
- At the beginning of each financial year (by 30 April); and
- Immediately upon a material change in their personal circumstances that gives rise to a new conflict.

Completed declarations shall be submitted to the Company Secretary who shall maintain the Register.

6. DISCLOSURE PROCEDURE

Upon becoming aware of a conflict of interest (actual, potential, or perceived), the relevant person shall follow this procedure:

- Step 1 – Immediate Verbal Disclosure: Verbally notify the Chairperson (or relevant authority as above) as soon as the conflict is identified.
- Step 2 – Written Disclosure Form: Complete the Conflict of Interest Disclosure Form (Appendix B) within two (2) working days.
- Step 3 – Recusal: Immediately recuse yourself from any discussion, vote, or decision relating to the matter in which you have a conflict, pending a determination on how to manage the conflict.
- Step 4 – Recording: The Company Secretary shall record the disclosure in the Conflict of Interest Register (Appendix C) within five (5) working days.
- Step 5 – Management Decision: The Chairperson (or Board, for serious conflicts) shall determine the appropriate management response within ten (10) working days.
- Step 6 – Implementation: The agreed management response shall be implemented and the outcome recorded in the Register.

At formal meetings, a person with a conflict of interest relating to an agenda item shall declare their interest at the commencement of discussion on that item, and this declaration shall be minuted.

7. MANAGEMENT OF DISCLOSED CONFLICTS

Upon receiving a disclosure, the Chairperson or Board shall determine the appropriate course of action. The following responses may be applied, depending on the nature and severity of the conflict:

Severity	Management Response	Decision Authority
Low (minor / perceived)	Record disclosure; monitor; no further action required.	Chairperson / ED
Medium (potential / manageable)	Recusal from specific discussion/vote; ongoing monitoring; restriction of access to relevant information.	Chairperson
High (actual / significant)	Full recusal from all related matters; possible restructuring of role or responsibilities; independent decision-making required.	Full Board
Severe (unresolvable)	Termination of relationship with BDA (employment, contract, or board appointment) where the conflict cannot otherwise be managed.	Full Board

All management decisions shall be recorded in the Register. Where a board member is required to recuse themselves from a vote, the minutes shall clearly record that the member was not present or did not vote on the relevant matter.

8. BOARD MEMBER SPECIFIC OBLIGATIONS

Board members bear the highest duty of good faith and fiduciary responsibility to BDA. In addition to the general obligations under this Policy, board members shall:

- Proactively identify and disclose any relationship that could be perceived as a conflict, erring on the side of disclosure;
- Not participate in any discussion or vote on matters in which they have a financial or other material interest;
- Not use confidential information obtained through their board role for personal gain;
- Not accept positions on other boards or advisory bodies that create a conflict with their BDA duties without prior Board approval;
- Comply with section 75 of the Companies Act 71 of 2008 regarding disclosure of personal financial interests where applicable.

9. GIFTS, HOSPITALITY, AND BENEFITS

9.1 General Rule

No person to whom this Policy applies may solicit gifts or benefits of any kind from any person or entity that has or seeks a relationship with BDA. The receipt of unsolicited gifts must be managed as follows:

Gift Value	Action Required	Approval
Below R300	May be retained; disclose in next quarterly return.	None required
R300 – R1,000	Disclose immediately in writing to ED / Chairperson; may retain with approval.	ED / Chairperson
Above R1,000	Must be returned or donated to a BDA programme; disclose in writing.	Board notification
Any gift during a procurement process	Must always be declined and reported immediately. This applies regardless of value.	ED and Board

9.2 Hospitality

Reasonable and proportionate hospitality (e.g., a working lunch) offered in the context of a legitimate business relationship may be accepted, provided it is disclosed in writing. Lavish entertainment from suppliers or potential suppliers is prohibited.

10. POST-EMPLOYMENT AND COOLING-OFF PROVISIONS

Upon leaving BDA (whether through resignation, termination, or expiry of contract), the following restrictions apply:

- A former employee or board member may not, for a period of twelve (12) months after leaving BDA, take up employment with or provide services to any entity that was a BDA supplier, partner, or competitor if they had material involvement with that entity during their time at BDA.
- Former employees and board members remain bound by their confidentiality obligations in perpetuity.
- Any breach of post-employment obligations may give rise to civil legal action by BDA.

11. TRAINING AND AWARENESS

BDA shall ensure that all persons to whom this Policy applies receive training on its requirements. Specifically:

- All new employees and board members shall receive an induction on this Policy within 30 days of joining BDA;
- Refresher training shall be conducted annually for all covered persons;
- This Policy shall be published on BDA's internal information systems and made available to all covered persons on request.

12. RECORD KEEPING

The Company Secretary shall maintain the Conflict of Interest Register containing all disclosures, management decisions, and annual declarations. The Register shall be:

- Updated within five working days of each disclosure or declaration;
- Reviewed by the Board Chairperson on a quarterly basis;
- Made available to the external auditor upon request;
- Retained for a minimum of seven years.

13. NON-COMPLIANCE AND SANCTIONS

Failure to disclose a conflict of interest, or knowingly acting in a matter in which you have an undisclosed conflict, is a serious breach of this Policy and may constitute a breach of fiduciary duty. Consequences may include:

- Formal disciplinary action, up to and including dismissal;
- Removal from the Board of Directors;
- Civil legal action to recover any loss suffered by BDA;
- Criminal referral where fraud or other criminal conduct is suspected.

14. POLICY REVIEW

This Policy shall be reviewed annually by the Ethics and Legal Committee and submitted to the Board for approval. This Policy was approved by the BDA Board of Directors on [Insert Date].

Approved By	Designation	Date & Signature
	Chairperson, BDA Board	
	ED, BDA	

APPENDIX A: ANNUAL DECLARATION OF INTEREST FORM

BURGERSDORP DEVELOPMENT AGENCY – ANNUAL DECLARATION OF INTEREST

To be completed annually by all Board Members, Employees, and covered Contractors

Full Name	Position / Role	Department	Date

SECTION A: FINANCIAL INTERESTS

Please list any companies, organisations, or entities (other than BDA) in which you or your associates hold a financial interest:

Name of Entity	Nature of Interest	% Ownership / Value	Potential Conflict? Y/N

SECTION B: EXTERNAL BOARD / GOVERNANCE ROLES

Please list any external boards, committees, or governing bodies on which you serve:

Organisation Name	Your Role	Potential Conflict? Y/N

SECTION C: FAMILY MEMBERS / ASSOCIATES WITH BDA-RELATED INTERESTS

Please list any family member or close associate who has an interest in a BDA supplier, competitor, or partner:

Name of Person	Relationship	Name of Entity	Nature of Interest

SECTION D: DECLARATION

I declare that the information provided above is true and complete to the best of my knowledge. I understand that I have a continuing obligation to update this declaration whenever my circumstances change. I confirm that I have read, understood, and will comply with the BDA Conflict of Interest Policy.

Declarant Signature	Witness / HR Signature
Signature: Date:	Signature: Date:

APPENDIX B: CONFLICT OF INTEREST DISCLOSURE FORM (AD HOC)

To be completed immediately upon identifying an actual, potential, or perceived conflict of interest

Name of Declarant	
Role / Position	
Date of Disclosure	
Type of Conflict	Actual / Potential / Perceived (circle)
Matter / Decision Affected	
Nature of the Conflict (describe in full)	
Names of Interested Parties	
Proposed Management Action	

Submitted By (Signature & Date)	Received By (Chairperson / ED Signature & Date)

APPENDIX C: CONFLICT OF INTEREST REGISTER TEMPLATE

BURGERSDORP DEVELOPMENT AGENCY – CONFLICT OF INTEREST REGISTER

Maintained by: Company Secretary | Updated: [Date]

Ref No.	Name	Date Disclosed	Type of Conflict	Nature of Conflict	Management Decision	Status
001						Open/Closed
002						Open/Closed
003						

This register is a confidential document. Access is restricted to the Company Secretary, Chairperson of the Board, ED, and External Auditor.