

DISCLOSURE OF CONFLICT OF INTEREST

Ensuring that the integrity of decision-making is not compromised by conflict of interest is essential to maintaining trust in elected officials and government institutions. A conflict of interest arises when a public official's private interests could improperly influence the performance of official duties. If not adequately identified and managed, conflict-of-interest situations can lead to corruption. Disclosure of private interests by public officials is widely recognised as a principal tool to identify and prevent conflict of interest. Disclosures are usually mandated by law, but some officials or elected leaders provide them voluntarily. The public availability of disclosed information by top decision-makers is also important, allowing the public and civil society to monitor this information and hold government accountable.

Definition

Data refer to the percentage of private interests that are disclosed by ministers/cabinet members and legislators "of the lower house." Eight key types of information on private interests were analysed by the OECD, including: assets, liabilities, the amount and source(s) of any external income, any paid or non-paid outside positions, gifts received, and previous employment.

Overview

The disclosure of private interests by public officials and the public availability of such information is important to promote accountability and to reinforce trust in government. Furthermore, research has shown that economic development relies partly on citizens' trust in government. Yet, nearly all OECD member countries require only partial disclosure of private interests and make only some of this information public. Of the 8 interests analysed, for ministers and cabinet members, France and Switzerland disclose a small amount of information on private interests. Brazil, Slovenia and Turkey make most of the information disclosed available to the public.

Regarding lower house legislators, Finland and France request limited information on private interests to be disclosed. On the contrary, the Czech Republic and the United Kingdom require almost all information to be disclosed. In the United States and Korea all information on private interests for both positions is generally disclosed and made public.

Generally, paid and non-paid outside positions are the most regulated interests followed by gifts. These activities are prohibited in several (but not all) countries, although the threshold for having to report gifts varies.

Assets refer to real estate and any moveable assets (such as cars, boats, stock and cash). Liabilities include loans and debts. Outside income (and its source) refers to any amount of income obtained other than from the compensation (salaries) received in the identified position. Outside employment includes both paid and non-paid (or volunteer) positions held outside of their position in government or Parliament. Disclosure of gifts received is recorded as per countries' own legislation or rules regarding thresholds for disclosure. Previous employment refers to the name(s) of entities where officials were employed prior to taking up their current post.

Comparability

All data were collected through the 2010 OECD Survey on Integrity. In some countries, certain types of private interests are prohibited (e.g. holding outside employment or receiving gifts). These are presented in the figures as the category "activity is prohibited." Thresholds for disclosure of gifts received vary by country. Data for Luxembourg are not available.

Sources

- OECD (2011), *Government at a Glance*, OECD Publishing.

Further information

Analytical publications

- OECD (2012), *Lobbyists, Governments and Public Trust, Volume 2, Promoting Integrity through Self-regulation*, OECD Publishing.
- OECD (2011), *Corporate Governance of State-Owned Enterprises, Change and Reform in OECD Countries since 2005*, OECD Publishing.
- OECD (2010), *Post-Public Employment: Good Practices for Preventing Conflict of Interest*, OECD Publishing.
- OECD (2004), *Managing Conflict of Interest in the Public Service: OECD Guidelines and Country Experiences*, OECD Publishing.

Methodological publications

- OECD (2010), *Accountability and Transparency: A Guide for State Ownership, Corporate Governance*, OECD Publishing.
- OECD (2007), "Benchmarks for Integrity: Tracking Trends in Governance", *OECD Papers*, Vol. 7/7.
- OECD (2005), *Managing Conflict of Interest in the Public Sector: A Toolkit*, OECD Publishing.

Websites

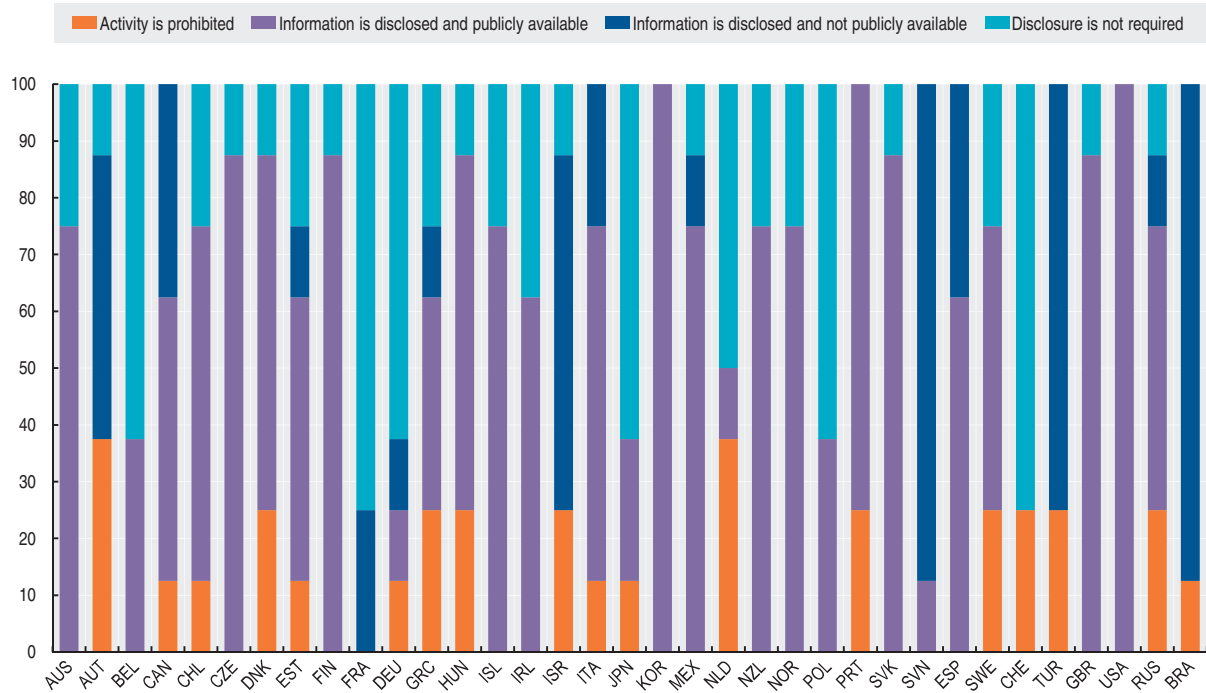
- Managing Conflict of Interest in the Public Service, www.oecd.org/gov/ethics/conflictinterest



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Level of disclosure of private interests by ministers or cabinet members

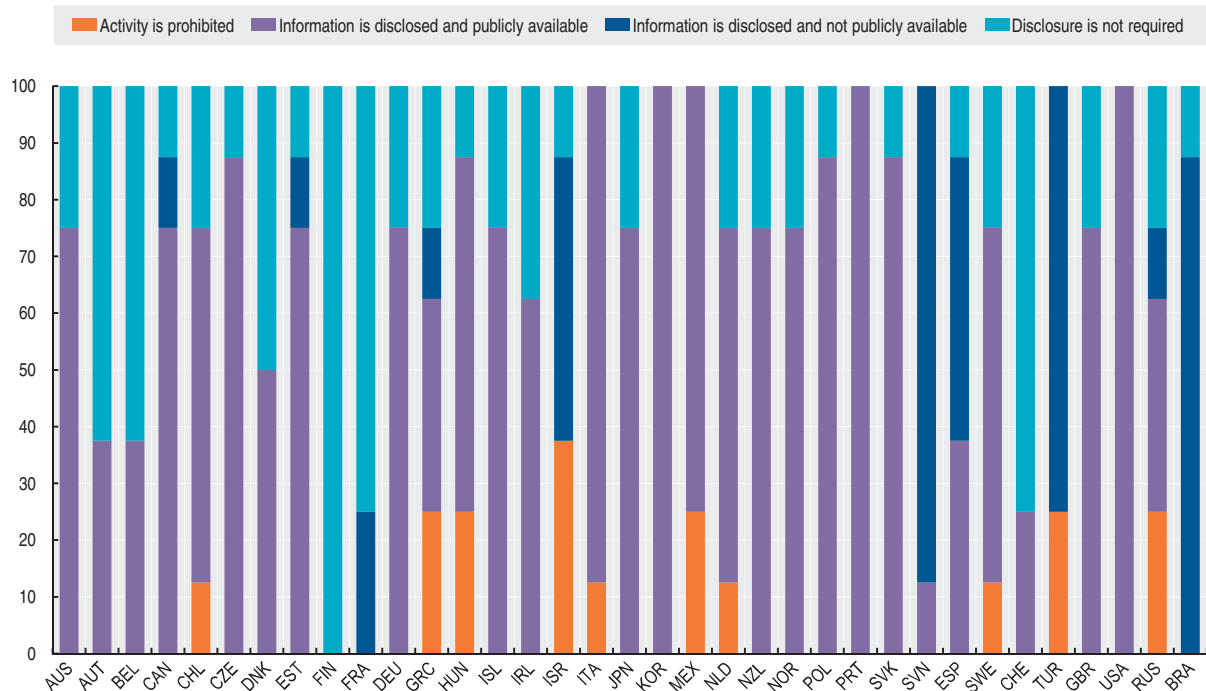
Percentage of private interests analysed, 2010



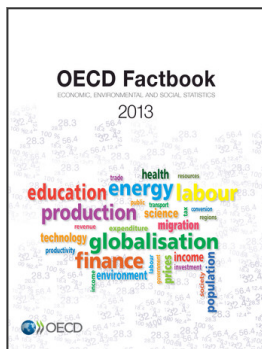
StatLink <http://dx.doi.org/10.1787/888932709966>

Level of disclosure of private interests by legislators in the lower house

Percentage of private interests analysed, 2010



StatLink <http://dx.doi.org/10.1787/888932709985>



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