

### Conflict of interest and asset disclosure

Growing expectations of open and fair public decision making, particularly following the financial and economic crisis, have put mounting pressure on governments to ensure that official decisions are not improperly affected by private interests. At the same time, new forms of partnership between governments and the private and non-profit sectors increase the complexity for policy makers and public managers in ensuring integrity of these transactions. Safeguarding the integrity of government decision making is therefore essential for restoring trust in government.

A conflict of interest arises when a public official's private interests could potentially compromise his or her performance. If not adequately identified and managed, conflict-of-interest situations could lead to corruption. At the same time, an excessively strict approach can be costly and unworkable, and may deter experienced and competent potential candidates from entering public office or public service.

Practice shows that asset and private interest disclosure by decision makers continues to be an essential tool for managing conflict of interest. Figure 8.4 presents an aggregate of the level of disclosure and public availability of disclosed information by top decision makers in the three branches of government (executive, legislature and judiciary). The levels are determined by whether top decision makers are required to disclose such private interests as their assets, liabilities, income source and amount, paid and unpaid outside positions, gifts and previous employment.

Although asset and private interest disclosure by decision-makers continues to be common practice in OECD countries, there are different levels of disclosure in the three branches of government. Disclosure practices are considerably higher in the executive and legislative branches than in the judiciary. For example, disclosure is not required for judges and prosecutors in the Czech Republic, France, Luxembourg and New Zealand. In Luxembourg, there are no disclosure requirements for decision makers in any of the three branches of government. Of the private interests covered, countries give the highest attention to paid outside positions as well as the receipt of gifts, by either prohibiting these or by requesting their disclosure.

Much variation also exists in OECD member countries in terms of the public availability of disclosed information by decision-makers. In the majority of countries, information is only partially made available to the public. In certain countries, this is a result of the degree of importance assigned to privacy concerns. The vast majority of countries make information on assets and income source publicly available. Previous employment and liabilities are made publicly available by few countries.

Following the collection of disclosure forms, just over 80% of OECD countries that have disclosure requirements in place verify that disclosure forms are submitted (Table 8.5). However, less than half perform internal audits of the submitted information for accuracy. No actions are taken following the collection of the disclosure forms in Ireland, Italy, Switzerland and Turkey. However, in Ireland

and Italy, most of the disclosed information is available to the public, allowing citizens themselves to scrutinise the information submitted.

#### Methodology and definitions

Data refer to 2012 and were collected via the OECD Survey on Managing Conflict of Interest. Respondents to the survey were country delegates responsible for integrity policies in central/federal government.

The term “public official” is defined as any person holding a legislative, executive, administrative or judicial office of a country, whether appointed or elected, whether permanent or temporary, whether paid or unpaid, irrespective of that person's seniority; and any other person who performs a public function, including for a public agency or public enterprise, or provides a public service, as defined in the domestic law of the country. For decision makers, the term “executive branch” covers the positions of president, prime minister, and ministers or members of cabinet. The term “legislative branch” covers the positions of upper and lower house legislators. The term “judicial branch” covers judges and prosecutors.

When calculating an aggregate of the country-specific data, all private interests and all positions were deemed equally important and were therefore assigned the same weights. Annex E provides detailed data on conflict-of-interest disclosure.

#### Further reading

OECD (2010), *Post-Public Employment: Good Practices for Preventing Conflict of Interest*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264056701-en>.

OECD (2007), *OECD Guidelines for Managing Conflict of Interest in the Public Service: Report on Implementation*, OECD Publishing, Paris.

OECD (2003), *Recommendation of the Council on Guidelines for Managing Conflict of Interest in the Public Service*, OECD Publishing, Paris.

#### Figure and table notes

8.4: Data for Brazil, the Czech Republic, Greece, Israel, and the Russian Federation refer to 2010 rather than 2012. Data reflect practices in member countries. Country-specific data and notes are available in Annex E.

8.5: Data for the Czech Republic, Greece, and Israel are not available. For Australia, Austria, Canada, Chile, Denmark, Estonia, Germany, Hungary, Italy, Japan, Korea, Luxembourg, Mexico, Norway, the Slovak Republic, Spain, Switzerland, Turkey and the United States, information provided only refers to the executive branch of government.

Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>.

## 8. OPEN AND INCLUSIVE GOVERNMENT

### Conflict of interest and asset disclosure

#### 8.4. Asset disclosure: Level of disclosure of private interests and public availability of information (2012)



Source: 2012 OECD Survey on Managing Conflict of Interest.

StatLink <http://dx.doi.org/10.1787/888932942887>

#### 8.5. Actions regarding disclosure of private interests by public officials (2012)

	Verification that disclosure form was submitted	Review that all required information was provided	Internal audit of the submitted information for accuracy
Australia	●	○	○
Austria	●	●	●
Belgium	●	●	○
Canada	●	●	○
Chile	●	●	○
Denmark	●	●	○
Estonia	●	□	□
Finland	●	●	○
France	●	□	□
Germany	●	●	□
Hungary	●	○	○
Iceland	●	○	○
Ireland	○	○	○
Italy	○	○	○
Japan	○	●	●
Korea	●	●	●
Luxembourg	x	x	x
Mexico	●	●	□
Netherlands	●	●	○
New Zealand	●	●	□
Norway	●	□	○
Poland	●	●	□
Portugal	●	●	●
Slovak Republic	●	●	○
Slovenia	●	□	□
Spain	●	●	●
Sweden	●	●	□
Switzerland	○	○	○
Turkey	○	○	○
United Kingdom	●	●	●
United States	●	●	○
Egypt	●	●	○
Ukraine	□	□	○
<b>Total OECD</b>			
● Procedure conducted for all those required to submit disclosure form	25	19	6
□ Procedure conducted for only some required to submit disclosure form	0	4	8
○ Procedure not conducted	5	7	16

Source: 2012 OECD Survey on Managing Conflict of Interest.

StatLink <http://dx.doi.org/10.1787/888932943628>



**From:**  
**Government at a Glance 2013**

**Access the complete publication at:**  
[https://doi.org/10.1787/gov\\_glance-2013-en](https://doi.org/10.1787/gov_glance-2013-en)

**Please cite this chapter as:**

OECD (2013), "Conflict of interest and asset disclosure", in *Government at a Glance 2013*, OECD Publishing, Paris.

DOI: [https://doi.org/10.1787/gov\\_glance-2013-49-en](https://doi.org/10.1787/gov_glance-2013-49-en)

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).