ECFA
Estonian Cultural Foundation in Australia Ltd.
Eesti Kultuuri Sihtasutus Austraalias
ABN: 50 091 457 911

Conflict of interest policy

1. Purpose

The purpose of this policy is to help the ECFA Board identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of ECFA and manage risk.

2. Objective

ECFA aims to ensure that Board members are aware of their obligation to disclose any conflicts of interest that they may have, and effectively manage those conflicts of interest as representatives of ECFA**.**

3. Scope

This policy applies to the Board members of ECFA.

4. Definition of conflicts of interests

ECFA's external regulator, the Australian Charities and Not-for-profits Commission (ACNC), says that a conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of the charity. Personal interests include direct interests, as well as those of family, friends, or other organisations a person may be involved with or have an interest in (for example, as a shareholder or as a beneficiary of ECFA grant funding or support).

A conflict of interest includes a conflict between a Board member's duty to ECFA and another duty that the Board member has (for example, to another charity or another community organisation seeking ECFA grant funding or support). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of ECFA, and they must be managed accordingly.

5. Policy

This policy has been developed to address conflicts of interest affecting ECFA. It is based on the ACNC's template policy as of May 2026 and takes account the small size of the Estonian community in Australia, the small number of community organisations, and the small number of active community participants. The policy will come into effect by resolution of the Board and supersedes the Board’s previous resolution on conflicts of interest made on 6 August 2025.

It is the policy of ECFA, as well as a responsibility of the Board, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the Board’s collective and Board members’ individual obligations to ECFA.

ECFA will manage conflicts of interest by requiring Board members to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest
- carefully manage any conflicts of interest, and
- follow this policy and respond to any breaches.

5.1. Responsibility of the Board

The Board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the charity and in relation to each Board meeting
- monitoring compliance with this policy, and
- reviewing this policy periodically to ensure that the policy is operating effectively.

Board members are required to be aware of the ACNC governance standards, particularly Governance Standard 5, and must disclose any actual, potential or perceived material conflicts of interests as required by Governance Standard 5.

5.2. Identification and disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be entered into ECFA’s register of interests, as well as being raised with the Board, and be managed in accordance with the requirements of paragraph 6.1 of this policy.

The register of interests must be maintained by the Secretary. The register must record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

If all Board members have the same conflict of interest, ECFA must consider whether it is still able to comply with the ACNC Governance Standards, especially Governance Standard 5, while taking reasonable steps to ensure that its Board members are subject to, and comply with, the relevant duties. An issue of this nature should be referred to a general meeting of ECFA members for debate and resolution.

5.3 Confidentiality of disclosures

The register of interests is open by request to all ECFA members.

6. Action required to manage conflicts of interest

6.1. Conflicts of interest of board members

Special care must be taken in relation to any meeting that discusses or decides on the distribution of ECFA grants. To avoid doubt, no ECFA Board member can sign or sponsor an application for funding to ECFA for a personal grant, or on behalf of a family member.

Where an ECFA Board member is an office holder in an organisation seeking a grant and, as a result of that office, is the appropriate signatory for an application on behalf of the organisation or is responsible for the execution of the project for which funding is sought, then that Board member must ensure that the nature and extent of their involvement is fully explained to the Board before the Board meets to discuss or decide on that funding. This advice must be incorporated into the minutes of the meeting. Additional oral advice can also be provided to the Board at the commencement of the meeting. These two forms of advice are in addition to any information provided for inclusion on the register of interests.

Any Board member who is a member of an organisation seeking funding, or who has a family member who is an office holder in an organisation seeking funding, or who is a likely beneficiary of a funding decision or has a family member who is a likely beneficiary of a funding decision, must make these connections known orally to the Board at the commencement of any meeting to discuss or decide on a funding request. This advice is in addition to any information provided for inclusion on the register of interest.

6.2. Actions the Board can take in relation to a conflict of interest

Once the conflict of interest has been appropriately disclosed, the Board (excluding the Board member who has made the disclosure, as well as any other conflicted Board member) must decide whether or not those conflicted Board members can:

- vote on the matter (this is a minimum), and/or
- participate in any debate, and/or
- be present in the room during the debate and the voting.

Each decision by the Board in relation to a conflicted member must be recorded in the meeting minutes.

Nothing in this policy limits the ability of a Board member to seek a reimbursement of expenses under the ECFA policy on Committee Member Expense Reimbursement. Neither does this requirement eliminate the possibility that an actual, potential or perceived conflict of interest may exist.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Board member from regularly participating in discussions, the Board may consider if it is appropriate for the person conflicted to resign from the Board.

6.3. What should be considered when deciding what action to take

In deciding what approach to take, the Board will consider:

- whether the conflict needs to be avoided or simply documented

- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- alternative options to avoid the conflict
- ECFA's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, ECFA and the ECFA Board.

The approval of any action requires the agreement of at least a majority of the Board (excluding any conflicted Board member/s) who are present and voting at the meeting.

The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

7. Compliance with this policy

If the Board has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the Board may take action against them. This may include advising ECFA members of the issues and seeking to terminate their relationship with ECFA.

If a person suspects that a Board member has failed to disclose a conflict of interest, they must raise the issue with the Chair or Deputy Chair or Secretary of ECFA or notify the Board by email on ECFA@eesti.org.au.

Contacts

For questions about this policy, contact the Secretary of the ECFA on ECFA@eesti.org.au.