

**Declaration of Interests by
Members of Advisory Boards and Committees**

Guidelines for a Two-tier Reporting System

General Principles

Some advisory boards and committees are autonomous and have extensive powers over policy and financial matters. To maintain public confidence in the integrity of the member (including the chairman), as well as in the impartiality of his advice tendered to the board or committee, it is important that all members of such boards or committees should disclose their general pecuniary interests on appointment to the board or committee, in addition to the report of conflicts of interests as and when they arise. To achieve greater transparency, such declaration should be made available for public inspection. By adopting this two-tier reporting system, members of these boards or committees can be protected from criticism or embarrassment arising from the existence of any undeclared general financial interest which may have potential conflict with the work of the board or committee. The two-tier reporting system consists of the following -

(A) Register of Members' Interests

- (1) The chairman and members shall register in writing their personal interest, direct or indirect, pecuniary or otherwise, when they first join the board or committee, and annually thereafter to the secretary of the board or committee. The registration shall be made on a standard form at Annex D.
- (2) The types of interests required for registration shall include -
 - (i) proprietorships, partnerships or directorships of companies;
 - (ii) remunerated employments, offices, trades, professions or vocations; and
 - (iii) shareholdings in a publicly listed or private company (e.g. 1% or more of the company's issued share capital); and/or
 - (iv) other declarable interests, taking into consideration the nature of work of individual boards or committees.
- (3) A register of members' interests shall be kept by the secretary which should be made available for inspection on request by any member of the public.

Declaration of Interests at Meetings

- (1) If a member (including the chairman) has any direct personal or pecuniary interest in any matter under consideration by the board or committee, he must, as soon as practicable after he has become aware of it, disclose to the chairman (or the board or committee) prior to the discussion of the item.
- (2) The chairman (or board or committee) shall decide whether the member disclosing an interest may speak or vote on the matter, may remain in the meeting as an observer, or should withdraw from the meeting.
- (3) If the chairman declares an interest in a matter under consideration, the chairmanship may be temporarily taken over by a vice-chairman or another member appointed by all other members present at the meeting.
- (4) When a known direct pecuniary interest exists, the secretary may withhold circulation of relevant papers to the member concerned. Where a member is in receipt of a paper for discussion which he knows presents a direct conflict of interest, he should immediately inform the secretary and return the paper.
- (5) All cases of declaration of interests shall be recorded in the minutes of the meeting.