

OFFICIAL
Defence Instruction

ADMINISTRATION AND GOVERNANCE PROVISIONS

Title:	AG5 - Conflicts of interest and post-separation employment
Object:	AG5 mandates conduct relating to declaring, recording and managing conflicts of interest in Defence.
Accountable officer:	Associate Secretary
Policy owner:	Principal Integrity Officer (First Assistant Secretary Defence Integrity)
Policy contact:	Director Integrity Policy and Industry Engagement
Cancellations:	NIL

AG5.1 All Defence personnel **must** act transparently when making work-related decisions, reflecting the probity and ethical standards of the Commonwealth and Defence, including adherence to Defence Values and Behaviours.

AG5.2 Defence personnel **must not**, either by act or omission:

- a. make improper use of their authority, status, power or position in order to solicit or obtain a benefit or advantage (or cause a disadvantage) for themselves or any other person or group (including partners, relatives, friends, associates and any person that does or may do business with Defence)
- b. use Defence resources (including official information not in the public domain) to gain, or seek to gain, a private benefit or advantage (or cause a disadvantage) for themselves or any other person or group
- c. accept any gift, benefit or sponsorship that might lead a reasonable person to view such acceptance as a conflict of interest
- d. behave in a manner which could be perceived as favouritism, bias, coercion or corruption, or
- e. take improper advantage of their official position or access to privileged information gained in that position, when seeking or participating in employment, business or other activities outside of Defence.

AG5.3 All Defence personnel **must** regularly assess whether they have an actual, potential or perceived conflict of interest, including, but not limited to when they change roles, experience a change in personal circumstance, or consider post-separation employment opportunities.

AG5.4 The Principal Integrity Officer (PIO) **must** be consulted where there is any doubt about whether:

- a. a conflict of interest exists or not, or
- b. the risks associated with the conflict of interest can adequately mitigated or not.

AG5.5 All Defence personnel **must** take reasonable steps to avoid situations where their private financial interests, relationships (intimate or professional), and other interests (or those of [immediate family members](#)) could conflict, or could be perceived to conflict, with their official duties.

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AG5.6 All Defence personnel **must** promptly declare any conflicts of interest (actual, potential or perceived) as and when they are identified, using the [AF220 Defence Conflict of Interest Declaration Form](#).

AG5.7 Before participating in a Tender Evaluation Panel or Recruitment Selection Panel, Defence personnel **must** complete an [AF220 Defence Conflict of Interest Declaration Form](#) which either: declares any conflicts of interest (actual, potential and perceived); or declares there are no conflicts of interest (as the case may be) in performing their duties as a member of the panel.

ANNUAL DECLARATION OF INTEREST

AG5.8 An annual declaration of interests, using the [AF220 Conflict of Interest Declaration Form](#), **must** be made by 31 October by:

- a. members of the Senior Leadership Group (SLG) including all Star Ranked Officers, Star Ranked SERCAT 5 Reserve Officers, Senior Executive Service Officers, Medical Officers Class 5 and 6, and Chiefs of Divisions
- b. anyone below SLG level who is designated by their Group Head or Service Chief because the position they occupy, their responsibilities or their level of decision making require them to be particularly transparent about their financial and personal interests, and
- c. all external committee members and chairs.

AG5.9 The PIO **must** be notified of the positions identified at AG5.8b.

AG5.10 A declaration of interest **must** also be made by:

- a. star ranked SERCAT 3 Reserve Officers, within two weeks of the commencement of any specified task/duties and if applicable, annually thereafter
- b. newly promoted SLG or SLG within two weeks of commencing a new role, and annually thereafter, and
- c. anyone acting in one of the positions identified at AG5.8 for a period of 3 months or more, within two weeks of commencing their acting duties.

POST-SEPARATION EMPLOYMENT

AG5.11 Defence personnel **must** declare any offer of post-separation employment with a prospective employer that provides goods or services to Defence, is a member of a standing offer panel or that otherwise may give rise to a conflict of interest (actual, potential or perceived), using the [AF220 Conflict of Interest Declaration Form](#), as soon as practicable and before accepting the offer.

AG5.12 Defence personnel **must** notify their prospective employer of their conflict of interest disclosure obligations to Defence on receipt of an offer of employment.

AG5.13 Defence personnel **must** notify their prospective employer of any management strategies or restrictions imposed by Defence, before accepting an offer of post-separation employment.

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INTIMATE RELATIONSHIPS

AG5.14 All Defence personnel **must** consider whether any [intimate relationship/s](#) may give rise to a conflict of interest (actual, potential or perceived) and **must** declare all instances in writing to their manager/commander. Both the declarant and the manager/commander **must** retain written evidence of the declaration.

GIFTS, BENEFITS AND SPONSORSHIP

AG5.15 All Defence personnel **must** be able to demonstrate that a conflict of interest (actual, potential or perceived) does not exist and that they are not improperly influenced in the performance of their duties by the acceptance of gifts, benefits, hospitality or sponsorship.

AG5.16 All Defence personnel **must** comply with [Defence's Gifts, Benefits and Sponsorship policies](#).

LOBBYING CODE OF CONDUCT

AG5.17 All Defence personnel **must** comply with the Australian Government [Lobbying Code of Conduct](#).

MANAGING CONFLICTS OF INTERESTS

AG5.18 Defence personnel **must** promptly submit a completed [AF220 Defence Conflict of Interest Declaration Form](#) through to the appropriate [decision maker](#) for a decision on the management of any conflict of interest declared.

AG5.19 Written consent **must** be obtained from third parties using the [Declaration of Interest Third Party Release Form](#), if Defence personnel are proposing to disclose a third party's personal information in an [AF220 Defence Conflict of Interest Declaration Form](#). When completed, the [Declaration of Interest Third Party Release Form](#) **must** accompany the submission of the [AF220 Defence Conflict of Interest Declaration Form](#).

AG5.20 After the appropriate [decision maker](#) has made their decision and completed their part of the [AF220 Defence Conflict of Interest Declaration Form](#), the form **must** be retained by the relevant business area on their records and a copy of the form **must** be submitted to [Defence Integrity Division](#) and the declarant.

For the purpose of AG5:

A **conflict of interest** refers to any situation where there is, could be or may appear to be, a conflict between an individual's private interests (including those of their immediate family) and their public duties and responsibilities. Information to assist Defence personnel to apply this instruction can be found [here](#).

An **actual** conflict of interest means there is a clear conflict between an individual's official duties and responsibilities, and their private interests.

A **potential** conflict of interest means an individual has private interests that may conflict with their official duties now, or in the future.

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A **perceived** conflict of interest means a third party could reasonably form the view that an individual's private interests may influence the performance of their official duties, now or in the future.

Defence personnel means all Australian Public Service employees in the Department of Defence, Defence locally engaged employees, Defence civilians, all Australian Defence Force members and their equivalents from other Defence organisations on exchange to Defence, external committee members and person/s engaged under a contract including a contractor, consultant or outsourced service provider as defined in the Financial Delegations Glossary of Terms.

Manager / Commander means Defence personnel who direct a range of human and physical resources and their associated financial responsibilities to achieve corporate objectives. A manager or commander may be a first-level supervisor or performs the role of a first-level supervisor where they have immediate subordinates, as well as the role of a second-level supervisor where they have Defence personnel supervised by those subordinates.

Decision Maker refers to a Defence Official responsible for evaluating and managing conflicts of interest. Further guidance can be found [here](#).