



European Funds
for Smart Economy



Republic
of Poland

Co-funded by the
European Union



**POLICY FOR PREVENTING, DETECTING AND ELIMINATING
CONFLICTS OF INTEREST AND FINANCIAL FRAUD
IN THE IMPLEMENTATION OF THE SCIENCE4BUSINESS PROJECT (EFSE)
BY THE SCIENCE4BUSINESS – KRAKOW CONSORTIUM**

This policy shall enter into force on the date of its approval by the Consortium Partners.

Basic concepts:

- **Project** – Task No. 1 "Development Incubator" within the framework of the project "Science4Business – Nauka dla Biznesu" (European Funds for Smart Economy programme; Priority II: Environment for Innovation; Action FENG.02.05. "Science4Business"), implemented by the Consortium in partnership with the Ministry of Science and Higher Education (**Lead Partner**);
- **Consortium** – a consortium entitled SCIENCE4BUSINESS - KRAKOW, established for the implementation of joint activities under the Project, consisting of the following entities:
 - Jagiellonian University, Centre for Technology Transfer CITTRU (**Leader**),
 - AGH University of Krakow, Centre for Cooperation and Technology Transfer,
 - Cracow University of Technology, Center for Technology Transfer,
 - University of Agriculture in Krakow, Technology Transfer Center,
 - Krakow University of Economics, Unit for Knowledge Transfer,
 - Maj Institute of Pharmacology of the Polish Academy of Sciences, Technology Transfer Department,
 - InnoCel sp. z o.o., Special Purpose Vehicle of Jagiellonian University,
 - Krakowskie Centrum Innowacyjnych Technologii INNOAGH sp. z o.o., Special Purpose Vehicle of AGH University of Krakow,
 - INTECH PK sp. z o.o., Special Purpose Vehicle of Cracow University of Technology,
 - Centrum Innowacji Uniwersytetu Rolniczego w Krakowie sp. z o.o., Special Purpose Vehicle of University of Agriculture in Krakow;
- **Partner(s)** – entity(ies) included in the Consortium implementing the Project;
- **Evaluation Committee** – a separate team operating at each University / Institute, whose task is to evaluate pre-implementation works and make recommendations regarding their financing;
- **Investment Committee** – a team working for the entire Consortium, whose tasks include approving the methodology and criteria for selecting pre-implementation work for funding, approving decisions on the allocation of funding, finally qualifying work as solutions implementing the 6R principles or implemented in accordance with the 6R principles, as well as monitoring and evaluating the implementation of pre-implementation works.

1. Purpose and scope of application of the policy

1.1. This policy aims to meet the ethical and legal requirements of the Project, arising from the EFSE programme, EU regulations and Polish law, including:

- preventing, detecting and responding to potential conflicts of interest in the course of the Project's implementation,
- counteracting financial abuse, irregularities and unfair practices,
- ensuring transparency and integrity in the expenditure of funds.

1.2. The policy covers all processes, decisions and activities related to the implementation of the Project, including in particular: public procurement, selection of contractors and subcontractors, employment and remuneration of staff, incurring financial commitments, spending funds and accounting for them.

1.3. The policy sets out standards of conduct for all Consortium Partners.

1.4. Each Partner is obliged to:

- 1) approve this policy,
- 2) making the approved policy available to all persons involved in the implementation of the Project on their side,



European Funds
for Smart Economy



Republic
of Poland

Co-funded by the
European Union



- 3) implementation of the principles set out in this policy in relation to its employees and associates, and in particular persons and bodies evaluating applications for funding, i.e. Applications (by scientists) and Submissions (by the staff of Technology Transfer Centre - TTC / Special Purpose Vehicle - SPV),
- 4) **appointing a person responsible for implementing the policy in their organisation/institution.**

1.5. The policy applies to all persons involved in the implementation of the Project, including in particular persons with access to internal information and documentation of the Project, including:

- 1) employees of Partners,
- 2) persons cooperating in the Project on a voluntary basis,
- 3) persons cooperating in the Project on the basis of civil law contracts,
- 4) contractors and subcontractors.

1.6. The Leader is responsible for communicating the policy to the members of the Project Investment Committee.

1.7. The document will be published on the Project website (www.demodayinnowacji.pl) and on the websites of individual Partners.

2. Definitions of key terms and applicable legal acts

2.1. Irregularity – in accordance with Article 2(31) of the General Regulation – any infringement of applicable law resulting from an act or omission which has or could have a negative impact on the European Union budget by charging it with an unjustified expense.

2.2. Suspected fraud – in accordance with Article 2 of Commission Regulations (EU) 2015/1970, 2015/1971, 2015/1972 and 2015/197328, this is an irregularity which leads to the initiation of administrative or judicial proceedings at national level with a view to establishing an intentional act, in particular fraud, as referred to in Article 1(1)(a) of the Convention on the Protection of the European Communities' Financial Interests. Since 2006, Member States have been required to determine whether an irregularity gives rise to a suspicion of fraud.

2.3. Fraud – in accordance with Article 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council (1) and Article 1 of the Convention on the protection of the European Communities' financial interests established by the Council Act of 26 July 1995, fraud affecting the European Communities' financial interests consists of:

- 1) in relation to expenditure, any intentional act or omission relating to:
 - a. the use or presentation of false, incorrect or incomplete statements or documents, which has as its purpose the misappropriation or wrongful retention of funds from the general budget of the European Communities or budgets managed by, or on behalf of, the European Communities;
 - b. failure to disclose information in breach of a specific obligation, for the same purpose,
 - c. misuse of such funds for purposes other than those for which they were originally granted;
- 2) with regard to revenue, any intentional act or omission relating to:
 - a. the use or presentation of false, inaccurate or incomplete statements or documents, which has as its purpose the illegal diminution of the resources of the general budget of the European Communities or budgets managed by, or on behalf of, the European Communities,
 - b. failure to disclose information in breach of a specific obligation, for the same purpose,
 - c. misuse of a benefit obtained lawfully, for the same purpose.

2.4. Conflict of interest – in accordance with Article 61 of the Financial Regulation, a conflict of interest exists where the impartial and objective exercise of the functions of an entity authorised to carry out financial activities or any other person, including national authorities at any level, involved in the implementation of the budget under direct, indirect and shared management, including in related preparatory actions, as well as in audit or control, is compromised for **reasons of family, emotional, political or national affinity, economic interest or any other direct or indirect personal interest**. Direct and indirect interests may also include **gifts or hospitality, non-economic interests or interests arising from involvement in non-governmental or political organisations** (even if unpaid), **competing loyalties** between one entity to which the person is committed and another person or entity to which the person is committed. A conflict of interest may also arise where the person concerned does not in fact derive any benefit from the situation – it is sufficient that the circumstances threaten the impartial and objective performance of the functions entrusted to them. However, such circumstances must have a specific, identifiable, individual



European Funds
for Smart Economy



Republic
of Poland

Co-funded by the
European Union



connection with specific aspects of the conduct, behaviour or relations of the person concerned (or influence those aspects).

The conflict may be:

- actual – a situation in which a personal interest directly influences the actions of a given person,
- potential – a situation in which circumstances may arise in which a personal interest directly influences the actions of a given person,
- apparent (perceived) – a situation where there is no actual conflict of interest, but it could be perceived as such by third parties.

2.5. Corruption – as defined in Article 4(2) of Directive (EU) 2017/1371 and the definition of active corruption within the meaning of Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, established by the Council Act of 26 May 1997, or conduct referred to in Article 2(1) of Council Framework Decision 2003/568/JHA, or acts defined in other applicable provisions. Corruption, within the meaning of the Act of 9 June 2006 on the Central Anti-Corruption Bureau, is an act:

- 1) consisting in promising, offering or giving, directly or indirectly, any undue advantage to a public official, for himself or for any other person, in exchange for an action or omission in the performance of his duties,
- 2) consisting in a person performing a public function directly or indirectly demanding or accepting any undue advantage for themselves or for any other person, or accepting a proposal or promise of such an advantage, in exchange for an action or omission in the performance of their functions,
- 3) committed in the course of economic activity involving the fulfilment of obligations towards a public authority (institution), consisting in promising, offering or giving, directly or indirectly, to a person managing an entity not included in the public finance sector or working in any capacity for such an entity, any undue advantage, for themselves or for any other person, in exchange for an action or failure to act that violates their duties and constitutes socially harmful reciprocity.

2.6. Actions within the scope of this policy take into account, in particular, the provisions and provisions of the following legal acts and documents:

- 1) Regulation (EU) No 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (OJ EU L of 26 September 2024; Financial Regulation);
- 2) EC guidelines on the prevention and management of conflicts of interest based on Financial Regulation No 2021/C 121/01;
- 3) EU directives, such as Directive 2014/24/EU on public procurement;
- 4) Polish law, including in particular:
 - a. Act of 28 April 2022 on the principles of implementation of tasks financed from European funds in the 2021-2027 financial perspective,
 - b. Act of 27 August 2009 on public finance,
 - c. Act of 11 September 2019 - Public Procurement Law,
 - d. Act of 14 June 2024 on the protection of whistleblowers,
 - e. Labour Code,
 - f. Civil Code;
- 5) Guidelines of national institutions, including the Managing Authority and the Lead Partner - the Ministry of Science and Higher Education, including the Partnership Agreement with the Lead Partner of the Project;
- 6) Internal regulations of Partners.

3. General principles

3.1. Each Partner undertakes to ensure that the activities under the Project are carried out in accordance with the applicable provisions of national and European Union law, in particular with EU policies, including those concerning state aid, public procurement, labour law, and the rules on the prevention and of conflicts of interest set out in Article 61 of Regulation (EU) No 2018/1046 of the European Parliament and of the Council No. 2018/1046 (in accordance with § 4(1)(4) of the Partnership Agreement).

- 1) when submitting reports on the implementation of activities, each Partner declares that the Project is being implemented in accordance with EU policies,



European Funds
for Smart Economy



Republic
of Poland

Co-funded by the
European Union



- 2) in the event of non-compliance with EU policies during the implementation of the Project, the Partner is obliged to describe in the report what the irregularities were and indicate the planned and taken corrective measures.
- 3.2. Each Partner has undertaken to present to the Lead Partner the procedures existing in its organisation / institution, together with a statement indicating their compliance. The procedures submitted by the Partner will be monitored by the Lead Partner.
 - 3.3. Each Partner undertakes to ensure that the activities in the Project are carried out in accordance with the principles of fairness, impartiality, selflessness, openness and transparency, in order to prevent irregularities, financial abuse, corruption and conflicts of interest.
 - 3.4. In particular, each Partner undertakes to apply the following principles:
 - 1) acting in the interest of the Project,
 - 2) ensuring transparency in procurement, recruitment and resource allocation processes,
 - 3) documenting decisions, in particular those concerning the allocation of funding,
 - 4) disclosing potential conflicts of interest,
 - 5) reporting suspected irregularities.
 - 3.5. In the case of Partners with the status of a University / Institute, internal regulations concerning research ethics, intellectual property management, recruitment and remuneration procedures, and procurement procedures, including public procurement, are of paramount importance during the implementation of the Project.
 - 3.6. In the case of Partners with the status of a Special Purpose Vehicle, the provisions of law indicated in point 2.6 and other recommendations included in this policy apply during the implementation of the Project.
- #### 4. Rules for preventing conflicts of interest
- 4.1. Activities that may cause a conflict of interest include:
 - 1) granting oneself or others unjustified direct or indirect benefits,
 - 2) refusal to grant a party the rights or benefits to which it is entitled,
 - 3) performing an inappropriate or abusive action or failing to perform an action that is required.
 - 4.2. The Lead Partner has identified the following processes in the Project as particularly vulnerable to actual conflicts of interest:
 - 1) conducting public procurement,
 - 2) selection of projects for co-financing,
 - 3) conducting audits,
 - 4) reporting irregularities,
 - 5) issuing decisions on the recovery of funds and considering appeals against decisions on the recovery of funds.
 - 4.3. Every person making key decisions related to the Project in the Partner institutions is required to:
 - 1) Submitting a written statement of commitment to impartiality (hereinafter: **Statement**), whereby:
 - a. Members of the Investment Committee shall submit a statement using the template in Appendix 3 to the *MODE OF WORK OF THE INVESTMENT COMMITTEE ACTING FOR THE SCIENCE4BUSINESS – KRAKOW CONSORTIUM IN THE " DEVELOPMENT INCUBATOR" TASK OF THE "SCIENCE4BUSINESS" (EFSE) PROJECT*, entitled "Statement of the Investment Committee Member on confidentiality and impartiality",
 - b. Persons participating in the evaluation of Applications and Submissions, including Members of the Evaluation Committees, shall submit a statement using the template constituting Appendix 10 to the *FRAMEWORK REGULATIONS FOR THE RECRUITMENT, SELECTION, IMPLEMENTATION AND SETTLEMENT OF PRE-IMPLEMENTATION WORK BY THE SCIENCE4BUSINESS – KRAKOW CONSORTIUM IN THE TASK "DEVELOPMENT INCUBATOR" OF THE "SCIENCE4BUSINESS " PROJECT (EFSE)* entitled "Model Statement of the person evaluating the Application / Submission",
 - c. Other persons, such as external experts and advisors, shall submit a statement equivalent in content to the declaration referred to in point 4.3(1b) of this policy.



European Funds
for Smart Economy



Republic
of Poland

Co-funded by the
European Union



- 2) Disclosure of any personal, professional and financial connections that may lead to a conflict of interest and to report potential conflicts of interest by submitting a Potential Conflict of Interest Notification (hereinafter: **Conflict Notification**) using the template in Appendix 1 to this document.
 - 4.4. The Declaration is subject to verification and archiving in the organisation of each Partner, and the declarations of the members of the Investment Committee – in the organisation of the Leader.
 - 4.5. The person indicated in the Declaration to whom Conflict Notifications should be sent is:
 - 1) in the case of declarations submitted by members of the Investment Committee – a designated representative of the Leader,
 - 2) in the case of declarations submitted by employees – the employee's immediate superior (e.g. TTC manager/director or president of the SPV),
 - 3) in the case of statements made by the head/director of the TTC or the president of the SPV - an authorised person acting as a superior (e.g. vice-rector).
 - 4.6. The Conflict Notification is forwarded within the organisation / institution of the given Partner to the person indicated in the Statement.
 - 4.7. The Conflict Notification is verified by the person indicated in the Statement, who assesses the situation and decides on the further course of action:
 - 1) if a conflict of interest is found to exist, the person involved in the conflict is excluded from tasks / decision-making processes concerning the third party involved in the conflict and from approving documents or expenses that may be subject to conflict,
 - 2) if no conflict of interest is found, the reporting person is reinstated to perform tasks / decision-making processes.
 - 4.8. The person who reported the potential conflict is informed of the outcome of the verification and the decision on further action.
 - 4.9. The Conflict Notification is archived in the organisation / institution of each Partner, and in the case of members of the Investment Committee, in the organisation of the Leader.
 - 4.10. The exclusion of a given person may also take place without the participation of the person concerned by the conflict situation:
 - 1) at the request of the person's superior,
 - 2) at the request of the Chairman of the Investment Committee,
 - 3) in any case where there are doubts as to the impartiality of the person concerned, arising based on the content of reports concerning undisclosed cases of conflict of interest.
 - 4.11. All procedures related to the identification and resolution of conflicts of interest must be documented in writing and archived in the **Conflict Notifications Register** maintained by each Partner.
 - 4.12. If required (at the request of supervisory authorities), information about the Conflict Notification shall be forwarded to the relevant institutions and authorities.
5. **Anti-fraud rules**
- 5.1. All Project expenses must be verified in terms of content and finances and approved by an authorised person.
 - 5.2. Each expense must be supported by relevant evidence (invoices, receipts, proofs of payment, timesheets, employment contracts or other contracts, protocols or implementation reports).
 - 5.3. Public procurement and the selection of contractors must be carried out in accordance with the principles of competitiveness and transparency. Each Partner shall prepare and conduct the procurement procedure in a manner that ensures fair competition and equal treatment of contractors in accordance the Act of 11 September 2019 – Public Procurement Law and the Guidelines, including making every effort to avoid conflicts of interest understood as a lack of impartiality and objectivity in the performance of their functions covered by the Agreement, in connection with its implementation (in accordance with § 8(1) of the Partnership Agreement).
 - 5.4. Partners with the status of a University / Institute have implemented and apply appropriate regulations concerning the principles of competitiveness and public procurement (Public Procurement Regulations).



European Funds
for Smart Economy



Republic
of Poland

Co-funded by the
European Union



6. Rules for counteracting irregular practices in the course of employment

- 6.1. All Partners should apply the principles of equal treatment of employees in employment, including those guaranteeing transparency of the recruitment process and impartial assessment of candidates, with the obligation to disclose any conflicts of interest.
- 6.2. Partners with the status of a University / Institute have implemented and apply personnel regulations and policies (Employment Regulations, Work Regulations, OTM-R Policies) that guarantee compliance with EU horizontal policies on equal opportunities and non-discrimination¹.

7. Mechanisms for reporting conflicts of interest, fraud and irregularities

- 7.1. Reports / notifications of irregularities (**Irregularity Notifications**) may concern in particular:
 - 1) undisclosed conflicts of interest,
 - 2) unethical or non-transparent decisions in the area of procurement or employment,
 - 3) fraudulent or irregular activities.
- 7.2. Suspected conflicts of interest, fraud or irregularities reported in good faith by whistleblowers (persons from within and outside the Partner's institution) should be forwarded through a confidential internal channel to the person designated by the Partner to receive them.
- 7.3. A Partner who has implemented internal regulations on the handling of Irregularity Notifications and the protection of whistleblowers is obliged to apply them.
- 7.4. The identity of whistleblowers is confidential, protected and will not be disclosed without their consent. Anonymous Irregularity Notifications will be received and investigated with the same commitment.
- 7.5. Procedure for handling Irregularity Notifications:
 - 1) the person responsible for receiving the notification registers it and confirms receipt to the reporting person (in the case of a named report),
 - 2) the person responsible for receiving the notification verifies it and takes investigative action,
 - 3) a report containing findings, conclusions and recommendations is prepared, and decisions on disciplinary or corrective measures are taken,
 - 4) the reporting person is notified of the outcome of the investigation (in the case of a named report),
 - 5) corrective and preventive measures are taken to prevent irregularities or limit damage.
- 7.6. All procedures related to Irregularity Notifications should be documented in writing and archived in the **Irregularity Notifications Register** maintained by each Partner. The Irregularity Notifications Register is protected against unauthorised access.
- 7.7. It is prohibited to take any retaliatory action against whistleblowers.
- 7.8. If required (at the request of supervisory authorities), information about the Irregularity Notification shall be forwarded to the relevant institutions and authorities.

8. Role and responsibilities, consequences of policy violations

- 8.1. The person responsible for coordinating Project activities in the Leader's organisation is responsible for:
 - 1) implementing and supervising this policy,
 - 2) collecting, verifying and storing the Statements of the members of the Investment Committee, accepting Conflict Notifications from members of the Investment Committee,
 - 3) monitoring the submission of Statements in Partner entities.
- 8.2. Persons responsible for coordinating Project activities in individual Partner units are responsible for:
 - 1) making the policy available to all persons involved in the implementation of the Project on their side and familiarising the team with this policy and ensuring compliance with its provisions,
 - 2) implementation of the principles set out in this policy in relation to its employees and associates in the area of Project implementation, and ensuring that the procedures applied comply with the standards required in the project,
 - 3) collecting, verifying and storing statements of commitment to impartiality,
 - 4) identifying potential conflicts and taking corrective action,
 - 5) collecting and verifying Conflict Notifications,
 - 6) collecting and verifying Irregularity Notifications,
 - 7) maintaining Conflict Notifications Register,

¹ https://www.demodayinnowacji.pl/science4business/regulacje-prawne?cnt=cnt_2



European Funds
for Smart Economy



Republic
of Poland

Co-funded by the
European Union



- 8) maintaining Irregularity Notifications Register,
- 9) taking action against persons who violate the policy.

8.3. All employees and associates of Partners involved in the implementation of the Project are required to:

- 1) comply with the policy,
- 2) report situations that may give rise to a conflict,
- 3) report suspected irregularities.

8.4. A Partner's employee who violates the provisions of this policy may be subject to appropriate consequences provided for in applicable law, the Partner's internal regulations or the employment contract, including disciplinary penalties, warnings, reprimands or other sanctions provided for in the work regulations or other internal regulations of the Partner.

8.5. The following consequences may be applied to contractors and subcontractors of who violate the provisions of this policy:

- exclusion from the proceedings,
- invalidation of the action or the entire proceedings,
- termination of the contract or restrictions on its performance,
- civil liability (compensation),
- the case may be reported to law enforcement authorities and OLAF (European Anti-Fraud Office).

DOCUMENT APPROVED BY THE PARTNERS' REPRESENTATIVES:

Jagiellonian University		AGH University of Krakow	
Centrum Transferu Technologii CITTRU	InnoCel sp. z o.o.	Centrum Współpracy i Transferu Technologii	Krakowskie Centrum Innowacyjnych Technologii INNOAGH sp. z o.o.
Cracow University of Technology		University of Agriculture in Krakow	
Centrum Transferu Technologii	INTECH PK sp. z o.o.	Centrum Transferu Technologii	Centrum Innowacji Uniwersytetu Rolniczego w Krakowie sp. z o.o.
Krakow University of Economics		Maj Institute of Pharmacology, Polish Academy of Sciences	



European Funds
for Smart Economy



Republic
of Poland

Co-funded by the
European Union



Appendix 1: Model Notification of a potential conflict of interest

Notification of a conflict of interest and/or circumstances that may constitute a conflict of interest

Details of the person submitting the notification	
First name and surname	
The notification concerns	<input type="checkbox"/> conflict of interest <input type="checkbox"/> circumstances that may constitute a conflict of interest
Source of the conflict of interest	
Date of identification of the circumstances	
Brief description of the circumstances / situation	
Scope of work / activities affected or potentially affected by the conflict of interest	
Date and signature	