

CONFLICT OF INTERESTS POLICY
of the International Charitable Foundation
“Alliance for Public Health”

This Policy provides guidance in identifying and addressing conflicts of interest.

1. General Principles

- 1.1 Alliance recognizes the need:
- to operate in a balanced, ethical, collaborative, transparent and open manner;
 - to prevent financial interests of persons from compromising their duties and responsibilities; and
 - to involve in the decision-making process interested outsiders, including experts, stakeholders, international donors and local non-governmental organisations.
- 1.2 The purpose of this policy is to ensure fairness in the Alliance decision-making, to protect the reputation and integrity of the Alliance and its interests, and to ensure broad public trust and confidence in Alliance activities.

2. Definitions

- (a) **Covered Individual** means a member of any governing body of the Alliance, its employees, consultants, experts and the members of any committees, boards or panels created to assist the Alliance granting and procurement processes.
- (b) **Associated Person** means one of the Covered Individual's close persons, namely persons who live together, are connected with a Covered Individual by common household and by reciprocal rights and obligations (excluding persons whose reciprocal rights and obligations with a Covered Individual are not of a family nature), including persons who live together but are not married, and regardless of the specified conditions: husband, wife, father, mother, stepfather, stepmother, son, daughter, stepson, stepdaughter, brother, sister, grandfather, grandmother, great-grandfather, great-grandmother, grandson, granddaughter, great-grandson, great-granddaughter, brother-in-law, sister-in-law, father-in-law, mother-in-law, adoptive parent or adopted child, guardian or caregiver, a person under guardianship or care of a Covered Individual.
- (c) **Associated Institution** means (i) any legal entity in which a Covered Individual is serving as a member of any governing body, an employee, or a consultant, that receives or may receive funding from the Alliance or with which the Alliance has a contractual or other legal relationship; or (ii) any legal entity with whom a Covered Individual is negotiating or has an arrangement concerning prospective employment. For the purpose of this policy, the International HIV/AIDS Alliance (UK) shall not be considered as an Associated Institution.
- (d) **Personally and substantially.** To participate *personally* means to participate directly, actively and in person, including, for example, to exercise a voting right at a session of the

- governing body. To participate *substantially* means that the Covered Individual's involvement may necessarily result in a certain decision's acceptance or rejection.
- (e) **Direct and predictable effect** means an immediate result of a decision which is clear and understandable to any reasonable person when the decision is made.
 - (g) **Financial interest** refers to any interest that has a monetary value i.e. a monthly salary, a service fee, an investment, a royalty, an equity, a liability, a debt, an intellectual property right, etc., over UAH 500 (five hundred Ukrainian hryvnias).
 - (h) **Ethics Committee** means the standing committee established to assist with the implementation of this policy. It is composed of the following voting members: Alliance Governing Board Member, Head / representative of HR Team, Head of Legal Team and Head / representative of Senior Advisory Unit, being the Secretary of the Ethics Committee. A member with actual or potential conflict of interest in regard a matter under consideration of the Ethics Committee is not taking part in a meeting.

The conflict of interest of any member of a governing body of the Alliance (except for the situations specified in article 11) or of the Ethics Committee shall be considered and resolved by the Supervisory Committee of the Alliance. In this case, the term "Ethics Committee" shall be substituted by the term "**Supervisory Committee**" throughout this policy.

3. What a Conflict of Interest is

- 3.1 A conflict of interest may be ACTUAL and/or POTENTIAL.
- a) **An ACTUAL conflict of interest** arises when a *Covered Individual* participates *personally and substantially* in an official capacity in any particular matter in which, to his/her knowledge, s/he or an Associated Person or an Associated Institution has a *financial interest*, if the particular matter will have a *direct and predictable effect* on that interest.
 - b) **A POTENTIAL conflict of interest** exists where a pre-existing and *less obvious* financial interest of a Covered Individual, an Associated Person or Institution could lead to any of the instances mentioned above. Upon appropriate disclosure and review, any of the activities which present the potential for a conflict of interest may be deemed acceptable and not a conflict of interest.
 - c) Specific examples of conflicts of interest are set forth in article 10 of this policy. These examples are only illustrative, and are not intended to set out all instances where an actual or potential conflict of interest may exist, but rather to articulate the principles the Alliance will follow in addressing such conflicts as they arise. Each situation will be assessed on its particular facts and circumstances.
 - d) Conflicts of interest do not in principle arise when a Covered Individual or an Associated Person or Institution stands to receive a diffuse benefit, i.e. a general benefit obtained by a vast number of persons, for example, in the form of improvement of access to the health service, from the action in question.

4. Transparency and disclosure of conflicts

- 4.1 All Covered Individuals have a duty to disclose the existence of any conflict of interest, including those that derive from Associated Persons or Institutions, and the nature of such conflict, whenever s/he becomes aware that a conflict exists or that it is reasonably likely to occur.
- 4.2 Employees of the Alliance holding the jobs at Band 4 Step 12 and higher (within context of Staff Manual Charter 6: "Human Resources") are obliged in reasonable time to fill and submit the "Declaration of Interests" to the Ethics Committee in the following cases:
- 4.2.1 by the end of each financial year;
 - 4.2.2 when moving to the job at Band 4 Step 12 and higher;

- 4.2.3 in case any change to the information provided in the previous Declaration of Interests occurs.
- 4.3 Submitted declarations will be kept confidentially by Senior Advisory Unit.
- 4.4 In case a conflict of interest of a Covered Individual is widely known within the Alliance and no special decision has been taken by the Ethics Committee with regard to his/her case, the Covered Individual should be considered as one having no conflict of interest until a special decision by the Ethics Committee is made.

5. Procedure of Ethics Committee when a Conflict of Interest Arises

- 5.1 All conflicts of interest shall be immediately disclosed in writing to the Ethics Committee through the Secretary. Individuals are encouraged to consult with the members of the Ethics Committee for guidance if questions arise in the application of this policy.
- 5.2 It is the duty of the Ethics Committee to review these disclosures and to decide whether a conflict of interest exists and, if only a potential conflict of interest, decide whether to issue a waiver defining the extent to which that Covered Individual may participate in any discussion of the issue that has given rise to the conflict.
- 5.3 Two voting members and the Senior Advisory Unit representative shall form a quorum for the Ethics Committee meeting. Decisions of the Ethics Committee should be passed by a majority vote of all voting members of the Ethics Committee.
- 5.4 When it is determined that a conflict of interest exists, the Covered Individual shall not participate in the matter that has given rise to the conflict without a waiver from the Ethics Committee. This means that the Covered Individual shall not vote or speak or otherwise participate in the decision-making on the matter, and shall absent himself/herself without comment before any discussion or voting on the matter, unless a waiver has been granted by the Ethics Committee. The waiver may be designed to allow for any level of participation the Ethics Committee deems appropriate. For example, it may permit the Covered individual to present information of a technical nature, but not recommendations. Or it may permit the Covered Individual to attend the meeting in order to fulfil his or her administrative responsibilities, but not participate in any discussion on issues that have given rise to the conflict of interest. The names of Covered Individuals with conflicts of interest who participate in a particular meeting, and the issue on which there is a conflict, shall be recorded in the minutes of that meeting.
- 5.5 Should a Covered Individual be found to have a conflict of interest that has not been disclosed as required above, or the Ethics Committee has reasonable cause to believe that a Covered Individual has failed to disclose a conflict of interest, it will inform the Covered Individual of the basis for such belief and provide him or her with the opportunity to explain the alleged failure to disclose. If, after hearing the response and making further investigations as may be warranted, the Ethics Committee determines that the interested person has in fact failed to disclose a conflict of interest, it may decide that a disciplinary action stipulated by the laws of Ukraine should be taken by the Executive Director of the Alliance in regard to the Covered Individual or any other measures should be taken as appropriate. The Supervisory Committee in the same case may also apply to the General meeting of members of the Alliance to withdraw a Covered Individual being a member of a governing body of the Alliance from its membership.

6. Conflicts in Tender Review and Proposal Review Committees

- 6.1. Where a Covered Individual is an expert or a member of a Proposal Review or Tender Review Committee, or any other standing or ad hoc committee, panel or board created within the Alliance (“**Panel**”), the Panel shall apply the following regulations within the context of this policy:
 - (a) A Covered Individual at the beginning of the first meeting of the Panel shall read this policy and shall sign a conflict of interest statement.

- (b) Any conflict of interest shall be disclosed by the Covered Individual to the Panel immediately after that Covered Individual obtains information sufficient to establish that s/he has a conflict of interest.
 - (c) Any other person participating in the meeting of the Panel (in whatever capacity, whether a member of the Panel or an observer) having information on any conflict of interest should report it to the Panel immediately.
 - (d) It is the duty of the Panel (in the absence of the Covered Individual) to review these disclosures and to decide by a majority vote (the Chairman having the casting vote in the event of a tie) whether a conflict of interest exists and, if only a potential conflict of interest, to decide whether to issue a waiver defining the extent to which that Covered Individual may participate in any discussion of the issue that has given rise to the conflict.
 - (e) Where the Covered Individual failed to disclose a conflict of interest reported to the Panel by any other person, s/he shall withdraw from the Panel.
 - (f) The quorum of the Panel's meeting shall not include the Covered Individual to the extent that the Panel have determined a conflict of interest exists which should not be waived.
- 6.2 Where obliged by a legal agreement with a donor, the Alliance shall report a conflict of interest to the donor after all necessary and relevant investigations and decisions have been made.
- 6.3 In the event of a conflict of interest arising after a decision has been made by a Panel, it shall reconvene to consider the conflict in accordance with this Policy. If a conflict exists, the members of the Panel shall determine whether the decision of the conflicted member would have affected each of their votes. If not, the initial decision will stand. If any member states that his vote would have been affected, the vote will be retaken with each affected vote being reversed.

7. Gifts

Regulations regarding gifts proposed to/by employees of Alliance as Covered Individuals are set forth in the Alliance Code of Ethics procedures (Section 9).

8. Country Coordinating Mechanisms

To the extent that this policy covers programmes implemented by the Alliance as a programme implementation unit, a sub-recipient or in any other capacity, Covered Individuals shall, as appropriate, individually and through Associated Institutions use their best efforts to ensure that Country Coordinating Mechanism of Ukraine operates in a transparent manner and actively safeguard against conflicts of interest.

9. Dissemination and Review of Policy

- 9.1 A copy of this policy shall be distributed to Covered Individuals and posted on the Alliance website.
- 9.2 This policy is subject to review by Ethics Committee of the Alliance and approval by the Governing Board of the Alliance.

10. Examples of conflicts of interest

Actual conflicts of interest

- Where Proposal Review or Tender Review Committee members advocate approval of a particular grant or contract whereby an Associated Person or Institution will benefit as a recipient of funds, or by playing some other direct project implementation role;

- Alliance employees advocating the approval of a particular policy from which an Associated Person or Institution will realise some direct financial benefit;
- Alliance employees participating in the assessment of an Associated Institution as a grantee of the Alliance .
- Alliance appoints an expert to review a specification, and the expert is employed or has some other financial interest in a potential bidder.

Potential conflicts of interest

- A decision-maker's Associated Institution having a cooperation agreement with an applicant participating in the call for proposals;
- An Associated Person having a shareholding in an organisation providing services to the Alliance;
- A Proposal Review Committee member involved with an applicant for funding as a result of his/her providing a service to that applicant through their intellectual activity, such as freelance writing or media work.

11. Declaration of Conflict of Interests

All Alliance staff and members of governing bodies (Governing Board and Supervisory Committee) sign the Conflict of Interests' Declaration as part of the acceptance of the Code of Ethics of Alliance, including also a set of key policies covering anti-fraud and whistle-blowing (see separate Annex No.1 for the Alliance staff members and Annex No.2 for members of the governing bodies).

All Alliance employees stipulated in p. 4.2 should re-sign the Conflict of Interests' Declaration annually or *ad hoc* in case any change to the information provided in the previous Conflict of Interests Declaration occurs. Through the submission of the form they state their interest in a business and all outside positions held during the reporting period for more than one month as a member of governing bodies of other NGOs, an employee or an expert of any business enterprise or non-profit organisation.

The Conflict of Interests' Declaration is submitted to the Ethics Committee through the Senior Advisory Unit representative. Senior Advisory Unit conducts preliminary review of the submitted declarations and informs the Ethics Committee of any actual or potential conflict of interests.

The Ethics Committee conducts general review of annual Conflict of Interests Declarations.

Members of governing bodies (Governing Board and Supervisory Committee) before each session of the governing body declare the presence or absence of a conflict of interest in relation to the items on the agenda of the session which is noted in the minutes of the session or, if necessary, in the signed by the relevant member Conflict of Interests Declaration (Annex No.2). If a member of the governing body (Governing Board and Supervisory Committee) declares a conflict of interest in relation to an item on the agenda of the session, the member of the governing body shall not participate in the consideration and voting on this item, unless otherwise decided during the session of the governing body.

12. Donor regulations

Should an agreement with a donor provide for rules and regulations different from those described here, Alliance shall apply the rules stipulated in that agreement.

To the Ethics Committee

**Declaration of Interests Form
under Conflict of Interests Policy of Alliance**

1) Do you have, as a Covered Individual, any gainful occupations / provide services as a consultant / expert?

NO

YES (please provide explanation below):

2) Do you have Associated Persons, who have any gainful occupations in Alliance or provide services as a consultant / expert to Alliance?

NO

YES (please provide explanation below):

3) Do you have Associated Institutions, which have contractual relationship with Alliance?

NO

YES (please provide explanation below):

4) Is there anything else not captured in the questions above that could affect your objectivity or independence in the performance of your duties for Alliance, or perception by others of your objectivity and independence?

NO

YES (please provide explanation below):

I confirm that I have read, understood and followed Conflict of Interests Policy of Alliance. I confirm that all data provided in this Declaration are reliable and complete. I promise to update information stated in this Declaration in case of significant changes in provided data and at least annually.

Signature

Date

Name

Position

Declaration of Interests Form

(Date, name of governing body)

I have read and understood the Conflict of Interests Policy of the International Charitable Foundation “Alliance for Public Health” and certify that do not have the conflict of interests in subject matter of this session of the *(name of the governing body)* within the meaning of the Conflict of Interests Policy.

I agree to disclose the existence of any conflict of interest, actual and/or potential, as it is stipulated in the Conflict of Interests Policy.

(Role/position) *(Signature)* *(Name)*

(Date)