

## Annex A – CCM Indonesia Governance Manual

### CCM Indonesia General Conflict of Interest Policy

#### 1. Definition of Conflict of Interest

Both GFATM and CCM Indonesia understand that effective implementation of grants from the Global Fund requires the involvement of many stakeholders, including PRs and their sub-recipients, Indonesian civil society, the international NGO and donor communities, and of course the CCM itself.

Within such a broad and diverse range of stakeholders, it is inevitable that conflicts of interest will occasionally occur. Generally, a “conflict of interest” can arise in any situation in which an individual is in a position to exploit a professional or official capacity, in any way, for their personal benefit. CCM Indonesia recognizes that the judgment of even the most well-meaning persons may be impaired when their own interests or those of close associates, including closely-associated organizations, are affected. CCM Indonesia acknowledges that conflict of interest can impair a Member’s ability to act in the best interests of the CCM.

CCM Indonesia does not expect to eliminate conflict of interest, but rather to minimize and manage it. The ***General Conflict of Interest policy*** of CCM Indonesia is intended to ensure fairness and to build public trust and confidence in the CCM’s activities and decisions.

For CCM Indonesia, a conflict of interest is defined to occur when **a CCM Member’s interests are in conflict with her/his duties and responsibilities** as a CCM Member. (CCM Indonesia’s General Conflict of Interest policy also applies to all designated Alternates and to staff of the CCM Secretariat.)

CCM membership rules and requirements are explicitly designed to reduce conflict of interest at the outset. To further manage potential conflict of interest during the course of a CCM term and during CCM meetings, CCM Indonesia has adopted the following practices:

- Disclosure statement of potential conflicts of interest;
- Specific actions to prevent conflict of interest;
- Recusal of Members from discussions and decision-making related to their interests; and

Each of these practices is elaborated in Section 2 of this annex below.

Note that although the CCM's General Conflict of Interest policy and management procedures apply to all CCM-related meetings, there are *supplemental CoI management procedures* in place for:

- CCM oversight of grants,
- CCM communications,
- Proposal development, and
- PR selection.

*These supplemental CoI procedures are described in Annexes D-G, respectively.*

## **2. Management of Conflict of Interest**

The following sections provide details of practices and procedures to mitigate and manage conflict of interest during the course of a CCM term, and during the course of CCM meetings.

### ***A. Disclosure statement of potential conflicts of interest***

Once a Member (or Alternate) has been elected or appointed to the CCM, s/he must submit a brief disclosure statement (one page or less), outlining any potential conflicts of interest that may exist at the time of election or appointment, or that may emerge during the Member's term on the CCM. (CCM Secretariat will provide a template for the annual disclosure/declaration statement.)

The Member/Alternate is encouraged to be as honest and as open as possible. The purpose of the disclosure statement is not to disqualify membership on the CCM; rather, it is a tool that the CCM will use to ensure that the General Conflict of Interest policy is properly implemented and managed during the course of CCM deliberations and decision-making.

In addition, the disclosure statement will include a declaration that states that the Member/Alternate will abide by the CCM General Conflict of Interest policy and will adhere to the CoI mitigation and management practices. All serving CCM Members and Alternates are required to sign and submit a disclosure statement to the CCM Secretariat once per year.

It is the duty of the Chair, with the assistance of the Executive Secretary and/or designated authorities, to review all of the disclosure statements and determine in each case whether or not CoI mitigation procedures should be applied. CCM Indonesia recognizes that in most circumstances, it will not be possible to precisely and objectively quantify the risk of CoI. Quantification of risk is not the objective of the annual

disclosure statement. Instead, the annual disclosure statement is intended to provide the CCM with a means of identifying possible CoI issues that will require monitoring and management.

### ***B. Specific actions to prevent conflict of interest***

If it is determined that a particular Member is at risk of conflict of interest, CCM Indonesia may request one or more of the following specific actions:

- Member must re-submit modified disclosure statement

In some circumstances, a Member's CoI status may change over the course of a CCM term. In other circumstances, it may be determined that a particular Member has not fully disclosed all potential areas of conflict of interest (this may happen unintentionally). In either circumstance, the Member may choose (or be asked) to modify and re-submit her/his disclosure statement. This may occur at any point during the CCM term.

- Transfer or reassignment of Member's responsibilities

The Member may choose (or be asked) to relinquish specific assigned responsibilities or roles (e.g., participation in a CCM Technical Working Group or CCM committee) in order to minimize potential risk for the CCM as a whole. The Member may request that her/his responsibilities or roles should be transferred to another specific Member. In all cases, the issue should be discussed openly in a CCM Plenary or Oversight Committee meeting.

- Member must ensure that recusal rules are followed

All Members/Alternates should be familiar with CCM "recusal rules" (see section 2.C below). In those circumstances when a Member's CoI status has changed, and the Member's risk of CoI has increased, the Member is responsible for ensuring that s/he abides by the recusal rules.

- Resignation

In some circumstances, the Member (or the CCM) may determine that the risk of CoI is too great for the Member to remain on the CCM. In such cases, the Member may choose (or be asked) to resign from the CCM.

In all circumstances, the Member may disagree with the opinions and judgments of the Chair (and/or designated authorities) regarding the Member's CoI status. In such cases, the Member is encouraged to file a petition with the CCM, and to have the issue

discussed during a CCM meeting. Additionally, if the Member is asked to resign, the Member may request a full vote on the issue in a CCM Plenary meeting.

***C. Recusal of Members from discussions and decision-making related to their interests***

During the course of any CCM meeting (CCM Plenary, TWG, Oversight Committee or Secretariat), if any CCM Member determines that the discussion raises possible conflict(s) of interest involving her/himself, the Member is obligated to leave the meeting for the duration of the relevant discussion. The Member can return to the meeting when the discussion is finished. The same principle applies to voting during CCM Plenary meetings.

The CCM Secretariat is responsible for carefully recording in the minutes each instance of recusal (and subsequent return) of CCM Members.

CCM Members are encouraged to be open and honest about possible CoI during meetings. It may be that a Member either neglects (or chooses not) to recuse her/himself during a discussion or vote, but other Members think that s/he should leave the meeting. In such circumstances, if informal discussion does not resolve the situation, Members may decide to vote on the issue.

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